

SERFF Tracking Number: APLE-126879592 State: Arkansas
Filing Company: Industrial Alliance Pacific Insurance and Financial Services Inc. State Tracking Number: 47185
Company Tracking Number: POL2000
TOI: A02I Individual Annuities- Deferred Non- Variable Sub-TOI: A02I.002 Flexible Premium
Product Name: FreedomFlex
Project Name/Number: FreedomFlex/POL2000

Filing at a Glance

Company: Industrial Alliance Pacific Insurance and Financial Services Inc.

Product Name: FreedomFlex SERFF Tr Num: APLE-126879592 State: Arkansas
TOI: A02I Individual Annuities- Deferred Non- Variable SERFF Status: Closed-Approved- Closed State Tr Num: 47185
Sub-TOI: A02I.002 Flexible Premium Co Tr Num: POL2000 State Status: Approved-Closed
Filing Type: Form Reviewer(s): Linda Bird
Author: Linda Dymacek Disposition Date: 11/04/2010
Date Submitted: 11/01/2010 Disposition Status: Approved-Closed
Implementation Date Requested: On Approval Implementation Date:
State Filing Description:

General Information

Project Name: FreedomFlex Status of Filing in Domicile: Authorized
Project Number: POL2000 Date Approved in Domicile: 08/29/2007
Requested Filing Mode: Review & Approval Domicile Status Comments:
Explanation for Combination/Other: Market Type: Individual
Submission Type: New Submission Group Market Size:
Overall Rate Impact: Group Market Type:
Filing Status Changed: 11/04/2010 Explanation for Other Group Market Type:
State Status Changed: 11/04/2010
Deemer Date: Created By: Linda Dymacek
Submitted By: Linda Dymacek Corresponding Filing Tracking Number:
Filing Description:
This filing is a new policy that does not replace any existing policy forms currently in use. The policy contains no unusual or controversial features or language that deviate from normal insurance industry standards. The policy will be offered to individuals in the general public through licensed agents. The policy will not be illustrated. The annuity will also be available for qualified and non-qualified funds.

This annuity has a maturity date of age 90, with a maximum issue age of 70. The minimum face amount is \$10,000. The annuity offers a persistency bonus after 15 years. The annuity offers a death benefit of the full policy value upon

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the death of the owner. Prior to the maturity date, the owner has access to their funds through a yearly 10% free withdrawal or systematic withdrawal option. The policy may also be surrendered with Early Withdrawal Charges.

This annuity will be issued using application 9762, which is also attached.

Company and Contact

Filing Contact Information

Linda Dymacek, Compliance Analyst linda.dymacek@iaplife.com
 17550 N Perimeter Drive 888-473-5540 [Phone] 8350 [Ext]
 Suite 210 480-502-5088 [FAX]
 Scottsdale, AZ 85255

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: \$50.00
 Retaliatory? No
 Fee Explanation: 1 filing x \$50
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Industrial Alliance Pacific Insurance and Financial Services Inc.	\$50.00	11/01/2010	41394497
Industrial Alliance Pacific Insurance and Financial Services Inc.	\$100.00	11/02/2010	41424801

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved- Closed	Linda Bird	11/04/2010	11/04/2010

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	11/02/2010	11/02/2010	Linda Dymacek	11/02/2010	11/02/2010

SERFF Tracking Number: *APLE-126879592* *State:* *Arkansas*
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 Variable
Product Name: *FreedomFlex*
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Disposition

Disposition Date: 11/04/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Statement of Variability		Yes
Form	Flexible Premium Deferred Annuity		Yes
Form	Disclosure Statement		Yes
Form	Application for a Fixed Annuity		Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 11/02/2010
Submitted Date 11/02/2010
Respond By Date 12/02/2010

Dear Linda Dymacek,

This will acknowledge receipt of the captioned filing.

Objection 1

Comment: Regulation 57 was revised effective January 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$100.00 is received.

Please feel free to contact me if you have questions.

Sincerely,
Linda Bird

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Response Letter

Response Letter Status Submitted to State
Response Letter Date 11/02/2010
Submitted Date 11/02/2010

Dear Linda Bird,

Comments:

Thank you for your review of this filing.

Response 1

Comments: I have submitted the additional \$100.00 of filing fees.

Related Objection 1

Comment:

Regulation 57 was revised effective January 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$100.00 is received.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Please proceed with the approval process. Thank you for your attention to this matter.

Sincerely,
Linda Dymacek

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Form Schedule

Lead Form Number: POL2000

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	POL-2000AR	Policy/Contract/Fraternal Certificate	Flexible Premium Deferred Annuity	Initial		46.300	POL-2000AR.pdf
	DIS-2000AR	Outline of Coverage	Disclosure Statement	Initial		41.100	DIS-2000AR.pdf
	9762	Application/ Enrollment Form	Application for a Fixed Annuity	Initial		41.500	9762.pdf

Industrial Alliance Pacific Insurance and Financial Services Inc.

Administrative Office
[P.O. Box 19009
Greenville, SC 29602-9009
Toll Free: 866-363-3290]

Herein called the Company

The consideration for the Policy is the application and payment of the initial premium as provided herein. The application is attached to and made part of the Policy.

We will provide annuity payments commencing on the Income Date according to the terms of the Policy if the Owner(s) are living on such date. We will provide death benefits according to the terms of the Policy if death of any Owner occurs before the Income Date.

All provisions on this and the following pages are part of the Policy.

Right to Return the Policy.

The Policy may be returned for any reason within thirty 30 days after the Owner(s) receives it. The Policy must be returned to that agent who sold it, any of our agency offices, our Home Office or our Administrative Office. The Policy will be void and considered never in force. Any premium paid for the Policy will be refunded, less any prior Withdrawals.

Read Your Policy Carefully.

The Policy is a legal contract between You and Us. Please read your Policy carefully.



Secretary



President

**FREEDOM FLEX I
FLEXIBLE PREMIUM DEFERRED ANNUITY POLICY**

This is a Fixed Annuity Policy.

POLICY DATA PAGE

Policy Number: [12345]
 Effective Date: [January 1, 2010]
 Income Date: [July 1, 2064]
 Owner: [John Doe]
 Owner's Age: [35]
 Joint Owner: [Jane Doe]
 Joint Owner's Age: [35]
 Annuitant: [John Doe]
 Annuitant's Age: [35]
 Annuitant's Sex: [Male]
 Joint Annuitant: [Jane Doe]
 Joint Annuitant's Age: [35]
 Joint Annuitant's Sex: [Female]
 Initial Premium: \$[2,400.00]
 Minimum Premium: \$[50.00]
 Initial Current Interest Rate: [1.00 to 10.00]%
 Guaranteed Minimum Interest Rate: [1.00 – 3.00]%

Early Withdrawal Charge:

Policy Year	Percentage
1	10.0
2	9.0
3	8.0
4	7.0
5	6.0
6	5.0
7	4.0
8	3.0
9	2.0
10	1.0
11+	0.0

ILLUSTRATIVE TABLE OF GUARANTEED VALUES

End of Contract Year	Premiums Paid	Policy Value	Early Withdrawal Value
1	2400	2,438.82	2,194.94
2	2400	4,950.81	4,549.80
3	2400	7,538.16	6,995.41
4	2400	10,203.13	9,560.33
5	2400	12,948.05	12,248.85
6	2400	15,775.31	15,065.42
7	2400	18,687.40	18,014.65
8	2400	21,686.84	21,101.30
9	2400	24,776.27	24,330.30
10	2400	27,958.38	27,706.76
11	2400	31,235.96	31,235.96
12	2400	34,611.86	34,611.86
13	2400	38,089.04	38,089.04
14	2400	41,670.54	41,670.54
15	2400	45,359.48	45,359.48
16	2400	49,159.08	49,159.08
17	2400	53,072.68	53,072.68
18	2400	57,103.68	57,103.68
19	2400	61,255.62	61,255.62
20	2400	65,532.11	65,532.11

The values shown above are illustrative and are based on the following assumptions: Values are based on the planned premium; Early Withdrawal Charge percentages apply; there are no withdrawals; the Guaranteed Minimum Interest Rate is applied after the first Policy Year, and the persistency bonus is not shown. The actual values and rates for the Policy will differ from those shown, depending on actual surrenders, interest credited, and withdrawals.

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1. DEFINITIONS

The following terms in this Policy have the respective meanings set out below:

“**Administrative Office**” means the office identified on the first page of this policy;

“**Annuitant(s)**” are the natural person(s) designated by the Owner(s) as the Annuitant and the Joint Annuitant (if a Joint Annuitant is named) whose age(s) and gender(s) are used to calculate the annuity payments under an Annuity Option. You may not change an Annuitant. If a Joint Annuitant has not been named on the application for this Policy, you may name a Joint Annuitant on or before the Income Date;

“**Annuity Option**” has the meaning set out in Section 5;

“**Annuity Value**” has the meaning set out in Section 4.1;

“**Application**” means the written Application completed and executed by you in respect of this Policy;

“**Beneficiary**” means the person(s) entitled to amounts payable under this Policy after the death of an Owner as set out in Section 2.13. The Primary Beneficiary and Contingent Beneficiary are persons designated in the application, unless changed. During your lifetime you may request that a Primary Beneficiary and/or Contingent Beneficiary be changed. If you name an irrevocable Primary Beneficiary or an irrevocable Contingent Beneficiary, a request to change the irrevocable Beneficiary must include written consent of the Beneficiary, except as otherwise required by law and us. The change will take effect on the date you sign the request but such change will not affect any payment or action we may have made before we receive and record your request;

“**Company**” means Industrial Alliance Pacific Insurance and Financial Services Inc.;

“**Current Interest Rate**” has the meaning set out in Section 3.1;

“**Early Withdrawal Charge**” is the product of the amount withdrawn or surrendered and the applicable early withdrawal charge percentage as shown in the Policy Data Page;

“**Early Withdrawal Value**” has the meaning set out in Section 3.6;

“**Effective Date**” means the first day of the month that the initial Premium is received.;

“**Home Office**” means our office located at Scottsdale, Arizona;

“**In writing**”, “**written**” means, where set out in connection with a request to be made by you, a written request signed, dated, and received at the Administrative Office, or other office as specified herein, in a form we accept. Contact your agent or us to obtain the required form;

“**Income Date**” means that date on which annuity payments commence under an Annuity Option;

“**IRC**” means the Internal Revenue Code;

“**Owner**” means the owner(s) of the Policy as shown in the Policy Data Page. Joint Owners must be natural persons;

“**Payee**” means the person(s) designated by you to receive annuity payments under an Annuity Option. You may change a Payee any time during your lifetime. You may not name an irrevocable Payee. If an Owner dies on or after the Income Date, any amounts payable under the Policy after the Owner’s death will be paid to the Beneficiary set out in Section 2.13;

“**Persistency Bonus**” has the meaning set out in Section 3.2;

“**Policy**” has the meaning set out in Section 2.1;

“**Policy Anniversary**” means an anniversary of the Effective Date;

“**Policy Data Page**” means the pages entitled Policy Data Page included in this Policy;

“**Policy Value**” means the value at any time on or before the Income Date equal to:

- a) the Premiums received; plus
- b) any Persistency Bonus; plus
- c) interest credited to the Policy; less
- d) any withdrawals; less
- e) Premium taxes, if any.

“**Policy Year**” means the twelve-month period commencing on the Effective Date and thereafter, the twelve-month period commencing on each Policy Anniversary;

“**Premium**” means an amount payable to us at our Administrative Office by you under this Policy. The Initial Premium and the Minimum Premium are shown in the Policy Data Page. Premiums can only be paid prior to the Income Date;

“**Systematic Withdrawal Option**” has the meaning set out in Section 3.5;

“**We**”, “**us**”, “**our**” means Industrial Alliance Pacific Insurance and Financial Services Inc.;

“**Withdrawals**” has the meaning set out in Section 3.4;

“**You**”, “**your**” means the person(s) identified in the Policy Data Page as the “Owner(s)”.

2. GENERAL PROVISIONS

2.1. ENTIRE CONTRACT

The entire contract between you and us is comprised of:

- a) this Policy, including the Policy Data Page;
- b) the Application; and
- c) any endorsements, riders or other attachments attached to this contract;

together with any amendments made to the above-listed documents from time to time pursuant to the terms of the contract. Such entire agreement is hereafter called the “**Policy**”.

2.2. INCONTESTABILITY

Unless fraudulent, statements made by you in the Application are representations and not warranties. Only such statements may be used in defense to any claim or to cancel this Policy.

2.3. CHANGES OR MODIFICATIONS

Any changes or modifications to this Policy must be in writing and must be mutually agreed.

Only our President or Secretary can change or modify the provisions of this Policy on our behalf. That means, for example, that no other representative of the Company or any agent can agree to or cause any change or modification to this Policy.

2.4. NON-PARTICIPATING

This Policy does not entitle you to participate in any distribution of surplus or profits that may be declared by us.

2.5. CURRENCY

All amounts and transactions referred to in this Policy are and will be denominated in lawful money of the United States of America.

2.6. TAX WITHHOLDING

We will withhold taxes from any payment made by or on your behalf when required by law.

2.7. EFFECT OF THE INTERNAL REVENUE CODE

The Policy is intended to comply with the requirements of the IRC, as amended. In the event of any conflict between the Policy and the IRC, the IRC will govern in order to maintain treatment of the Policy as an annuity contract under the IRC.

2.8. STATEMENTS

You will receive a quarterly statement respecting this Policy.

2.9. TERMINATION

On the occurrence of any of the following, this Policy will terminate immediately:

- a) you surrender the Policy in accordance with Section 3.6; or
- b) the benefits have been fully paid.

2.10. OWNERSHIP

As Owner, you may exercise all rights and options allowed by this Policy. If there are joint Owners, either Owner may exercise the rights and options allowed by this Policy.

2.11. ASSIGNMENT

You may assign all of your ownership interest in this Policy to another person prior to the Income Date. You must notify us of an assignment. We are not legally bound by an assignment before we receive written notice satisfactory to us. We will not be liable for any payments made or action taken before the assignment is received by us, and we have a reasonable opportunity to act on it. Please consult your tax advisor regarding the tax consequences of an assignment. We are not responsible for the validity, tax effects or other consequences of any assignment.

2.12. AGE

This Policy is issued at the years of age specified in the Policy Data Page. This is your age nearest birthday at the Effective Date.

If an Annuitant's age is misstated, we will adjust the amount payable under the Annuity Option selected to that based on proof of the correct age. If the misstatement causes us to make (a) an overpayment, we will deduct the total amount of the overpayment from the next following future payment(s), or (b) an underpayment, we will add the total amount of the underpayment to the next payment. The overpayment amount will include interest at a rate not to exceed six percent (6%) per annum, compounded annually.

2.13 BENEFICIARY

The Beneficiary is the person entitled to amounts payable under this Policy after the death of an Owner.

If any Owner who is a natural person dies, the Beneficiary is:

- a) the surviving Owner or, if there is no surviving Owner,
- b) the Primary Beneficiary or, if there is no Primary Beneficiary living at the time of the Owner's death,
- c) the Contingent Beneficiary or, if there is no Contingent Beneficiary living at the time of the Owner's death,
- d) the estate of the deceased Owner.

If the Owner is a non-natural person and any Annuitant dies, the Beneficiary is:

- a) the Primary Beneficiary or, if there is no Primary Beneficiary living at the time of the Annuitant's death,
- b) the Contingent Beneficiary or, if there is no Contingent Beneficiary living at the time of the Annuitant's death,
- c) the Owner.

If a Beneficiary dies before receiving the amount payable and such Beneficiary's death occurs:

- a) at the same time as your death (or the Annuitant's death if the Owner is a non-natural person); or
- b) within fifteen (15) days after your death (or the Annuitant's death if the Owner is a non-natural person);

we will pay the amount payable under this Policy as if the Beneficiary had died before you (or before the Annuitant if the Owner is a non-natural person).

If there is more than one Beneficiary, unless otherwise provided by the Owner, each Beneficiary will share equally in any amounts payable under this Policy after the death of an Owner.

2.14 DEATH CLAIM

We will require satisfactory proof of claim before paying a claim under this Policy. Proof of claim will include evidence under oath of the particulars of the death of the Owner, Annuitant, or Beneficiary, as applicable. The title of the claimant and other necessary information to establish the validity of this Policy may be requested. Any amount payable under this Policy will include interest from the date of death to the date of settlement at a rate not less than that required by law where this Policy is delivered.

2.15 STATE COMPLIANCE

The values and benefits under this Policy will always be at least as beneficial as that required by the laws of the state where the Policy is delivered.

3. CONTRACT VALUES

3.1 DETERMINATION OF CURRENT INTEREST RATE

The "**Current Interest Rate**" is the interest rate to be applied to determine the Policy Value at any given time. The Current Interest Rate is:

- a. as at the Effective Date and until the expiry of the calendar year in which the Effective Date occurs, the rate of interest set out in the Policy Data Page as the "**Current Interest Rate**";
- b. after the expiry of the calendar year in which the Effective Date occurs, the rate of interest declared by us at the beginning of each subsequent calendar year, which declared rate will be guaranteed by us to be in effect for the duration of such calendar year (the "**Declared Rate**");

provided that the Declared Rate will never be less than the Guaranteed Minimum Interest Rate.

3.2 PERSISTENCY BONUS

On the fifteenth (15th) Policy Anniversary the Policy Value will be increased by three percent (3%), provided that the following two conditions are met:

- a. the total Premiums paid into the Policy in the first ten (10) years, is equal to or greater than Twenty Five Thousand Dollars (\$25,000), and
- b. the Policy Value on the fifteenth (15th) policy anniversary is equal to or greater than Fifty Thousand Dollars (\$50,000).

3.3 BASIS OF VALUES

Interest will be credited to the Policy at the Current Interest Rate. Interest on Premiums received accrues on a daily basis and is credited to the Policy monthly. Upon surrender or any other termination of the Policy, interest shall be accrued and credited under the Policy up to the date of surrender or other termination.

3.4 WITHDRAWALS

Prior to the Income Date, you may, by request in writing, take a “**Withdrawal**” of a portion of the Early Withdrawal Value. A Withdrawal must not:

- a) be less than One Hundred Dollars (\$100.00); or
- b) reduce the Policy Value below Five Hundred Dollars (\$500.00).

In any Policy Year after the first Policy Year, an amount up to ten percent (10%) of the Policy Value may be withdrawn or surrendered without regard to an Early Withdrawal Charge. This is on a non-cumulative basis. Any amounts withdrawn or surrendered in a Policy Year (including amounts distributed under a Systematic Withdrawal Option described in Section 3.5) in excess of this amount are subject to Early Withdrawal Charges.

If you retire five (5) years or more after purchasing this Policy and are fifty-five (55) or older, the Early Withdrawal Charges will be waived. If you annuitize with the Company after five (5) years and the payout you have chosen is a minimum of five (5) years, the Early Withdrawal Charges will be waived.

Consult your tax advisor regarding the tax consequences of any Withdrawal from your Policy.

3.5 SYSTEMATIC WITHDRAWAL OPTION

Prior to the Income Date, you may request in writing that the Policy Value be applied to provide Withdrawals under one of the following **Systematic Withdrawal Options**:

- a) **Fixed Amount:** Withdrawals will be made monthly or annually in equal amounts specified by the Owner; or
- b) **Fixed Period:** Withdrawals will be made monthly or annually for a fixed period. The amount to be withdrawn each year is calculated at the beginning of the year by dividing the unpaid balance of the Early Withdrawal Value at the time by the number of years remaining in the fixed period at that time; or
- c) **Interest Only:** Withdrawals of interest only will be made monthly or annually; or
- d) **Age Recalculation:** Withdrawals will be made monthly or annually for a period based on the life expectancy of the Owner (or if a Joint Owner is named, the joint and survivor life expectancy of the Owner and the Joint Owner). The amount to be withdrawn each year is calculated at the beginning of the year by dividing the unpaid balance of the Early Withdrawal Value at the time by the Owner’s life expectancy at that time (or, if a Joint Owner is named, by the joint and survivor life expectancy of the Owner and Joint Owner at that time). This age recalculation option may not be requested if the Owner is a non-natural person.

Withdrawals under a Systematic Withdrawal Option will continue to be made until the earlier of:

- a) the date the Owner informs us in writing to cease making Withdrawals under the Systematic Withdrawal Option or elects Withdrawals to be made under a different Systematic Withdrawal Option;
- b) the death of an Owner if the Owner(s) are natural persons, or the death of an Annuitant if the Owner is a non-natural person;
- c) the Income Date; or
- d) the Early Withdrawal Value is fully paid.

Consult your tax advisor regarding the tax consequences of electing, modifying, and discontinuing distributions under a Systematic Withdrawal Option.

3.6 EARLY WITHDRAWAL VALUE

Prior to the Income Date, you may request in writing, the Withdrawal of the “**Early Withdrawal Value**” and the termination of this Policy. The Early Withdrawal Value is the Policy Value less Early Withdrawal Charges, if any.

3.7 DEFERRALS

We have the right to defer payment of the Early Withdrawal Value, withdrawals, or any portion thereof, for up to six (6) months from the date that your request is received.

4. ANNUITY PROVISIONS

4.1. ANNUITY VALUE AND POLICY VALUE

The Annuity Value of this Policy on the Income Date is the amount to be applied by us to the Annuity Option selected by you. The Annuity Value on the Income Date is equal to the Policy Value on that date.

4.2. INCOME DATE

Unless otherwise agreed to by the Company, the Income Date is the first day of the month following the Annuitant’s 90th birthday (or if a Joint Annuitant is named, the first day of the month following the 90th birthday of the Annuitant or the Joint Annuitant, whichever is older).

4.3. ANNUITY PAYMENTS

If you are living on the Income Date, we will begin making annuity payments in accordance with the Annuity Option described in Section 5.2.1 as the Annuity Option – Life with Minimum Guarantee. Prior to the Income Date, however, you may select a different type of Annuity Option from the Annuity Options described in Section 5.2 or any other option mutually agreed upon in writing. To select a different Annuity Option in accordance with this Section, you must give us thirty (30) days' prior written notice of your request.

If our annuity rates in effect at the time that the annuity payments are to begin under this Policy are more favorable to you than the rates set out in the table below, we will calculate the annuity payments using the more favorable rates.

4.4. PAYMENTS MADE AFTER DEATH

This Section restricts how payments may be made after death. Distribution of all or part of any amount payable under this Policy after death may be deferred by us to the extent allowed by law.

4.4.1. Death Prior to the Income Date

This Policy is intended to qualify as an annuity contract under Section 72 of the IRC as amended. The terms of the Policy shall be interpreted consistently with the requirements of IRC Section 72(s).

If the Owner(s) are natural persons and any Annuitant who is not an Owner dies prior to the Income Date, the Policy will continue and the surviving Annuitant will be the sole Annuitant or, if there is no surviving Annuitant, the Owner (or the first named Owner on the Policy Data Page in the case of Joint Owners) will be the sole Annuitant.

Upon the death of any Owner occurring prior to the Income Date, the Policy will continue until we fully pay the Beneficiary the Policy Value as of the date of such Owner's death. We will credit interest on such amount from the date of such Owner's death to the date paid.

We will pay the Beneficiary's entire interest within five (5) years of such Owner's death, except that:

- a) the Beneficiary may elect to apply his or her entire interest in one lump sum payment, or
- b) the Beneficiary may elect to apply his or her entire interest under an Annuity Option providing annuity payments that:
 1. commence within one year of such Owner's death, and
 2. are made for the life of the Beneficiary or for a period not exceeding the Beneficiary's life expectancy; or

If the Owner dies prior to the Income Date and the Beneficiary is the Owner's surviving spouse, the surviving spouse may elect to continue this Policy as his or her own Policy. This Section 4.4.1.b may only apply once and may not be elected a second time by the surviving spouse's Beneficiary.

4.4.2 Non-Natural Owner

If the Owner is a non-natural person, the death of any Annuitant is considered the death of an Owner for purposes of this Policy.

4.4.3 Death On or After The Income Date

Upon the death of any Owner occurring on or after the Income Date, any remaining interest in the Policy will be distributed at least as rapidly as under the method of distributions being used as of the date of death.

4.5 PREMIUM TAXES

If you are liable for taxes relating to Premiums, we may be required by law to deduct amounts for such taxes at the time of any payment of Premium by you or alternatively, at the time of any payment by us once the Income Date has been attained. This depends upon your residence. Where allowed by state law, deduction for premium taxes will be made on the Income Date.

5. ANNUITY OPTIONS

5.1 GENERAL

You may request that annuity payments commencing on the Income Date be made payable under any of the Annuity Option plans described below or any other Annuity Option mutually agreed upon in writing (the "**Annuity Options**"). The request must be in writing at least thirty (30) days prior to the Income Date. Annuity payments under an Annuity Option will be made to the Payee while the Owner is alive and to the Beneficiary after the death of an Owner. Unless agreed by us at the time of your request, you will not be entitled to make any changes to an Annuity Option after the Income Date.

5.2. ANNUITY OPTIONS

5.2.1.. *Life Annuity Plan*

In this plan, annuity payments will be made:

- a) **Life Only:** Monthly as long as the Annuitant is living; or
- b) **Life with Minimum Guarantee:** Monthly as long as the Annuitant is living. If the Annuitant dies before one hundred twenty (120) payments have been made, we will continue payments until one hundred twenty (120) payments in total have been made. Alternatively, you may select a term of sixty (60) months to two hundred forty (240) months; or
- c) **Joint and One-half Survivor:** Monthly as long as either the Annuitant or Joint Annuitant is living. On the death of either Annuitant, the remaining annuity payments will be reduced by one-half (1/2). Reduced payments will continue until the death of the survivor Annuitant.

5.2.2.. *Term Certain Plan*

In this plan, annuity payments will be made monthly for a selected term certain number of years. The period selected must be at least five (5) but no more than thirty (30) years. If an Owner dies before the term certain period ends, we will continue making payments to the Beneficiary until the end of the selected term.

5.2.3.. *Systematic Withdrawal Plan*

In this plan, you may choose any of the options available under the Systematic Withdrawal Option in Section 3.5 of this contract.

5.3 PAYMENTS UNDER THE ANNUITY OPTION

The first annuity payment is due on the Income Date. Subsequent monthly payments will be payable on the same day in each of the following months.

Except for the term certain plan described above, the amount of each annuity payment will be based on the Annuitant(s)' sex and the Annuitant(s) age nearest birthday on the date that the first payment becomes due. We have the right to require proof of the Annuitant(s)' sex and age before we make a payment. If payment depends on the Annuitant(s) being alive on a certain date, we may require proof of such fact on such date before any payment will be made.

If the monthly payment amount is less than Fifty Dollars (\$50.00), we may change the payment interval so that payments will be at least Fifty Dollars (\$50.00). 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 income tax laws.

5.4 ANNUITY OPTION TABLES

Tables for the Annuity Option showing the monthly annuity payments for One Thousand Dollars (\$1,000.00) of Annuity Value, after deduction of any applicable premium tax, follow. Amounts shown are derived from the 2000 Annuity Mortality table, with an interest rate of three percent (3%) per annum. At the time of annuitization, the annuity payments will be based on the greater of (a) our current payment options and (b) the payment amounts found in the option tables. The figures for ages not shown may be requested from us. We will pay any other form of fixed annuity which is acceptable to us. The same actuarial basis for the table will be used to determine monthly payments for ages or duration's not shown.

ANNUITY OPTION TABLES

MALE TABLES

LIFE ANNUITY – Life Only

AGE OF PAYEE	AMOUNT
50	4.13
55	4.53
60	5.06
65	5.79
70	6.81
75	8.23
80	10.21
85	12.98
90	16.79

LIFE ANNUITY – Life with Minimum Guarantee (120 payments)

AGE OF PAYEE	AMOUNT
50	4.09
55	4.47
60	4.95
65	5.57
70	6.33
75	7.19
80	8.06
85	8.78
90	9.27

FEMALE TABLES

LIFE ANNUITY – Life Only

AGE OF PAYEE	AMOUNT
50	3.87
55	4.21
60	4.65
65	5.27
70	6.13
75	7.40
80	9.29
85	12.13
90	16.15

LIFE ANNUITY – Life with Minimum Guarantee (120 payments)

AGE OF PAYEE	AMOUNT
50	3.85
55	4.18
60	4.60
65	5.15
70	5.88
75	6.79
80	7.79
85	8.66
90	9.22

LIFE ANNUITY – Joint and One-half Survivor

AGE OF PAYEE - MALE	AGE OF JOINT PAYEE – FEMALE									
	50	55	60	65	70	75	80	85	90	
50	3.99	4.17	4.37	4.63	4.93	5.30	5.72	6.16	6.57	
55	4.17	4.36	4.59	4.87	5.21	5.62	6.09	6.59	7.07	
60	4.38	4.59	4.85	5.16	5.54	6.01	6.55	7.14	7.70	
65	4.64	4.87	5.16	5.52	5.96	6.50	7.14	7.84	8.53	
70	4.93	5.20	5.53	5.94	6.46	7.10	7.86	8.73	9.58	
75	5.26	5.57	5.95	6.42	7.03	7.79	8.73	9.80	10.90	
80	5.61	5.96	6.39	6.95	7.66	8.58	9.73	11.09	12.51	
85	5.96	6.35	6.85	7.49	8.33	9.43	10.83	12.54	14.39	
90	6.29	6.73	7.29	8.02	8.98	10.27	11.96	14.08	16.46	

TERM CERTAIN

NUMBER OF MONTHLY PAYMENTS	AMOUNT	NUMBER OF MONTHLY PAYMENTS	AMOUNT
60	17.91	180	6.87
120	9.61	240	5.51

ANNUITY OPTION TABLES

UNISEX TABLES

LIFE ANNUITY – Life Only

AGE OF PAYEE	AMOUNT
50	3.90
55	4.36
60	4.84
65	5.51
70	6.44
75	7.77
80	9.69
85	12.48
90	16.41

LIFE ANNUITY – Life with Minimum Guarantee (120 payments)

AGE OF PAYEE	AMOUNT
50	3.97
55	4.32
60	4.77
65	5.35
70	6.09
75	6.97
80	7.91
85	8.71
90	9.24

LIFE ANNUITY – Joint and One-half Survivor

		AGE OF JOINT PAYEE								
		50	55	60	65	70	75	80	85	90
AGE OF PAYEE	50	3.99	4.17	4.38	4.63	4.93	5.27	5.65	6.05	6.42
	55	4.17	4.36	4.59	4.87	5.20	5.58	6.01	6.46	6.89
	60	4.38	4.59	4.84	5.16	5.53	5.97	6.46	6.98	7.48
	65	4.63	4.87	5.16	5.51	5.94	6.45	7.03	7.65	8.25
	70	4.93	5.20	5.53	5.94	6.44	7.04	7.74	8.50	9.25
	75	5.27	5.58	5.97	6.45	7.04	7.77	8.62	9.58	10.54
	80	5.65	6.01	6.46	7.03	7.74	8.62	9.69	10.91	12.18
	85	6.05	6.46	6.98	7.65	8.50	9.58	10.91	12.48	14.18
	90	6.42	6.89	7.48	8.25	9.25	10.54	12.18	14.18	16.41

TERM CERTAIN

<u>NUMBER OF MONTHLY PAYMENTS</u>	<u>AMOUNT</u>	<u>NUMBER OF MONTHLY PAYMENTS</u>	<u>AMOUNT</u>
60	17.91	180	6.87
120	9.61	240	5.51

FREEDOM FLEX I

Flexible Premium Deferred Annuity



INDUSTRIAL ALLIANCE PACIFIC
INSURANCE AND FINANCIAL SERVICES™

Administrative Office
P.O. Box 19009, Greenville, SC 29602-9009
Toll Free: 866-363-3290

**Freedom Flex I
Flexible Premium Deferred Annuity
Disclosure Statement**

Contract Form: POL-2000AR

This disclosure is not intended to be a complete explanation of your annuity. Only your annuity policy contains complete details. Please read the disclosure, sign below and return all pages to your agent. Some features of this annuity may not be available in all states or may vary by state. If you have any questions please contact your agent or Industrial Alliance Pacific Insurance and Financial Services Inc. (“the Company”) for complete details.

Freedom Flex I is a flexible premium deferred annuity issued by the Company. Substantial surrender charges may apply to withdrawals as described below. Annuity principal and earnings are not subject to income taxes until funds are withdrawn or provided as annuity payments. For these reasons, you should plan to keep your annuity policy for the long term.

There is no additional tax-deferral benefit for annuities purchased in an IRA or other tax qualified plan, since these plans are already tax-deferred. Therefore, in considering whether or not to purchase this product, only consider the annuity’s other features, including the availability of lifetime payments and the death benefit protection.

Policy Value

Each Premium received is credited with the Initial Current Interest Rate as shown on your Policy Data Page. The Company will declare the Initial Current Interest Rate at the beginning of each calendar year. This rate may differ from year to year based on current economic conditions however, the declared interest rate will never be less than the Guaranteed Minimum Interest Rate.

Each premium paid is credited with interest that is accrued on a daily basis and is credited to the Policy Value monthly. You will receive quarterly statements that will show your accumulated Policy Value.

The Policy Value is calculated as follows:

- a. the accumulation of Premiums paid; less
- b. Withdrawals, if any; plus
- c. interest credited to the Premiums paid; less
- d. any premium taxes, if any.

Withdrawals

After the first Policy Year up to 10% of the Policy Value may be withdrawn without an Early Withdrawal Charge. Withdrawals must be \$100 or more and the Policy Value must be at least \$500 for your Policy to remain in force. A 10% IRS penalty may apply to Withdrawals made before age 59 1/2. Any amounts withdrawn or surrendered in a Policy Year in excess of 10% of the Policy Value, are subject to Early Withdrawal Charges. The amount charged is the product of the amount withdrawn or surrendered and the applicable Early Withdrawal Charge.

Policy Year:	1	2	3	4	5	6	7	8	9	10	11
Early Withdrawal Charge:	10.0%	9.0%	8.0%	7.0%	6.0%	5.0%	4.0%	3.0%	2.0%	1.0%	0.0%

If you retire 5 years after purchasing this Policy and are 55 or older, the Early Withdrawal Charges will be waived. If you annuitize after 5 years and the pay-out schedule is a minimum of 5 years the Early Withdrawal Charges will be waived.

Guaranteed Early Withdrawal Values

Your Freedom Flex I policy has a Guaranteed Early Withdrawal Value that grows with your Policy. The Guaranteed Early Withdrawal Value equals the Policy Value, less Withdrawals, if any, at the Guaranteed Minimum Interest Rate. If you make any Withdrawals prior to a total surrender, the amount of Premium accumulated at the Guaranteed Minimum Interest Rate will be reduced by the Withdrawals including any applicable surrender charges and premium tax.

Death Benefit

The Company will pay the Policy Value less loans and loan interest. No Early Withdrawal Charges will apply to the death benefit.

Owner(s) Statement

We understand we are purchasing a flexible premium deferred annuity. We understand that the annuity policy is intended as a long-term savings vehicle and may have substantial penalties for early withdrawals or surrender. We also understand that annuities are not insured by the FDIC or any federal government agents, deposits of or guaranteed by any bank or credit union, nor are a requirement or condition of any bank or credit union activity. We certify we have read and understand the Application and this Disclosure Statement and have retained a copy of all solicitation materials used during the sale. By signing here, we are telling you that we have read this Disclosure Statement and understand the descriptions and annuity policy features. We are also telling you that neither Industrial Alliance Pacific Insurance and Financial Services Inc. nor its agent have made any guarantees or promises regarding future interest rate performance under this annuity. It is within the Company's sole discretion to set the interest rate on this annuity, subject to the minimum guaranteed values contained in the contract. We understand that any values referred to in this document (other than the minimum guaranteed values) are not guarantees, promises or warranties.

Owner Signature

Date

Joint Owner Signature

Date

Agent Statement

I certify that I have read and understand all consumer material for this product. I have provided the Owner(s) copies of all materials used during the sales presentation of this annuity policy, the Buyer's Guide, the Application and have reviewed this Disclosure Statement with the Owner(s). I have made no statements, representation or promises about product features or future performance that differ in any significant manner from this material. I have not made any promises or guarantees about the future value of any nonguaranteed elements.

Agent Signature

Date



INDUSTRIAL ALLIANCE *PACIFIC*[™]
INSURANCE AND FINANCIAL SERVICES

P.O. Box 19009, Greenville, SC 29602-9009

APPLICATION FOR A FIXED ANNUITY



Notice: Upon written request, we will provide reasonable factual information regarding benefits & provisions of this contract to the owner, who may return it within 30 days for a full refund if not satisfied.

APPLICATION for a FIXED ANNUITY

Print using dark ink

PROPOSED ANNUITANT

First Name: _____ Middle Initials: _____ Last Name: _____
Sex: Male Female Date of Birth: _____ Age: _____ State of Birth: _____
Home Address, City, State: _____ ZIP: _____ How long: _____
Tel. No: _____ Driver's License No: _____ Issue State: _____
SSN: _____ Employer: _____ Occupation: _____
Employer's Address, City, State: _____ ZIP: _____ How long: _____

JOINT ANNUITANT

First Name: _____ Middle Initials: _____ Last Name: _____
Sex: Male Female Date of Birth: _____ Age: _____ State of Birth: _____
Home Address, City, State: _____ ZIP: _____ How long: _____
Tel. No: _____ Driver's License No: _____ Issue State: _____
SSN: _____ Employer: _____ Occupation: _____
Employer's Address, City, State: _____ ZIP: _____ How long: _____

BENEFICIARY

Primary _____ %
Full Name: _____ Relation to Proposed Annuitant: _____ Date of Birth: _____
Street Address, City, State: _____ ZIP: _____ Tel. No: _____

Primary _____ % **Contingent**
Full Name: _____ Relation to Proposed Annuitant: _____ Date of Birth: _____
Street Address, City, State: _____ ZIP: _____ Tel. No: _____

Primary _____ % **Contingent**
Full Name: _____ Relation to Proposed Annuitant: _____ Date of Birth: _____
Street Address, City, State: _____ ZIP: _____ Tel. No: _____

Primary _____ % **Contingent**
Full Name: _____ Relation to Proposed Annuitant: _____ Date of Birth: _____
Street Address, City, State: _____ ZIP: _____ Tel. No: _____

OWNER

Same as the Proposed Annuitant, or
Owner's Full Name / Trustee: _____
Tax ID or SSN: _____ Relationship to Proposed Annuitant: _____
Address, City, State: _____ ZIP: _____

JOINT OWNER

Same as the Proposed Annuitant, or
First Name: _____ Middle Initials: _____ Last Name: _____
Tax ID or SSN: _____ Relationship to Proposed Annuitant: _____
Address, City, State: _____ ZIP: _____

PAYOR

Same as the Proposed Annuitant, or
First Name: _____ Middle Initials: _____ Last Name: _____
Tax ID or SSN: _____ Date of Birth: _____ Relationship to Proposed Annuitant: _____
Address, City, State: _____ ZIP: _____ Tel. No: _____

GENERAL

Is there any life insurance or annuity policy in force on the proposed annuitant? Yes* No
Will this annuity replace any existing insurance or annuities with this or any other company? Yes* No
Are the persons upon whose lives the annuity is to depend in good health? Yes No

* Provide an explanation in the "Details" box on this page.

PLAN

Fixed Annuity Product Name: _____

PREMIUM TYPE

Single Premium Flexible Premium

TAX TYPE

I request that any contract issued from this application include wording to qualify it as a:

403(b) Tax Sheltered Annuity Individual Retirement Annuity Non-Qualified Annuity
 457(b) Deferred Compensation Plan Roth IRA Other: _____

PREMIUMS

Amount Paid with Application: \$ _____
Scheduled Premium: \$ _____
Annual Premium: \$ _____
Payroll Reduction Payments (1st Contract Year Payments):
Initial Premium \$ _____ for _____ months
Then \$ _____ for _____ months
Total 1st Contract Year Premium: \$ _____

Frequency of Scheduled Premiums:
 Annual Semi-Annual Quarterly
 Monthly (12 pay) Calendar (24 pay) Bi-Weekly (26 pay)
 9 pay 10 pay 11 pay
 13 pay 20 pay 21 pay
 25 pay 52 pay Other: _____

METHOD OF PAYMENT

Pre-Authorized Check **(Complete and attach Pre-Authorized Check Form and void sample check.)**
 List billing starting on _____ with deductions by (Name of Employer) _____
(M M / D D / Y Y Y Y)
_____ Payments excluding the months of [J F M A M J J A S O N D]

Billing Address Same as the Proposed Annuitant, or

Street Address, City, State: _____ ZIP: _____

TRANSFERS

Type of tax deferred account _____ of \$ _____ from _____

(Complete and attach the applicable forms.)

DETAILS

AMENDMENTS

SIGNATURES

All states except as noted below: WARNING: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Georgia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance may be guilty of insurance fraud and may be subject to civil fines and criminal penalties.

Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

New Jersey: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New Mexico: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Oklahoma: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Tennessee and Maine: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

Washington and Virginia: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines or denial of insurance benefits.

District of Columbia: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

We, the undersigned, hereby declare that the statements on this Application shall form the basis of any Annuity Contract issued. All statements made in this application form are accurate to the best of our knowledge and belief. We agree that our acceptance of the Annuity Contract will constitute ratification and confirmation of any additions and Amendments made by Industrial Alliance Pacific Insurance and Financial Services Inc. in the amendments section of this Application.

Also, where this application is for a contract to be issued under section 403(b), by signing below, we are hereby authorizing Industrial Alliance Pacific Insurance and Financial Services Inc. to provide the employer maintaining the section 403(b) plan (or an agent of the employer) with information necessary for the administration of the 403(b) plan.

We believe that the purchase of this Annuity Contract is suitable given our particular legal, financial, tax investment, estate planning or other goals or circumstances.

Signed at _____ this _____ day of _____ 20____
(City, State)

Signature of Proposed Annuitant

Signature of Owner (If Different than Proposed Annuitant)

Signature of Proposed Joint Annuitant

Signature of Joint Owner

AGENT DATA

Are you aware of any life insurance or annuity policy in force on the proposed annuitant, except as noted in this application? Yes* No
Are you aware if this Annuity Contract will replace any existing insurance policies or annuity contracts with this or any other Company? Yes* No
*Provide an explanation in the "Details" box on previous page and attach applicable replacement forms.

Signature of Licensed Agent (Witness)

Print Agent Name

Agent # / %

Signature of Licensed Agent (Witness)

Print Agent Name

Agent # / %

SERFF Tracking Number: *APLE-126879592* State: *Arkansas*
 Filing Company: *Industrial Alliance Pacific Insurance and* State Tracking Number: *47185*
Financial Services Inc.
 Company Tracking Number: *POL2000*
 TOI: *A02I Individual Annuities- Deferred Non-* Sub-TOI: *A02I.002 Flexible Premium*
Variable
 Product Name: *FreedomFlex*
 Project Name/Number: *FreedomFlex/POL2000*

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachment: ReadCertAR.pdf		
Bypassed - Item: Application Bypass Reason: Please see application attached to forms schedule tab. Comments:	Item Status:	Status Date:
Satisfied - Item: Statement of Variability Comments: Attachment: SOV AR.pdf	Item Status:	Status Date:

CERTIFICATION OF READABILITY

Industrial Alliance Pacific Insurance and Financial Services Inc. hereby certifies that the following forms comply with state requirements for readability as follows:

POL-2000AR	Flexible Premium Deferred Annuity Policy	46.3
DIS-2300AR	Disclosure Statement	41.1
9762	Application for an Indexed Annuity	41.5



Michael L. Stickney
Executive Vice President

October 29, 2010

INDUSTRIAL ALLIANCE PACIFIC INSURANCE AND FINANCIAL SERVICES INC.

STATEMENT OF VARIABILITY

Flexible Premium Deferred Annuity POL-2000AR

The following is a list of the variable elements of the policy other than those that are policyholder-specific.

Minimum Premium:	\$50.00 - \$500.00
May be adjusted for inflation and market conditions	
Initial Current Interest Rate:	1.00 to 20.00%
May be adjusted for inflation and market conditions	
Guaranteed Minimum Interest Rate:	1.00 – 3.00%
May be adjusted over time according to the nonforfeiture law for annuities	