

1290 Avenue of the Americas  
New York, New York 10104

GROUP ANNUITY CONTRACT NO.: XXXXXXXXXX

CONTRACT HOLDER: Collier County Sheriffs Office

REGISTER DATE: September 1, 2011

The terms of this Contract, including the Application, are agreed to by the Owner, as shown in the Application, and AXA Equitable Life Insurance Company ("AXA Equitable").

This Contract is issued pursuant to the Application submitted to and accepted by AXA Equitable (a copy of which is attached to and made part of this Contract) and in consideration of the initial payment of the Contributions made to AXA Equitable.

**FOR THE CONTRACT HOLDER**

Name	Title	Date
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**FOR AXA EQUITABLE**



Mark Pearson,  
Chairman of the Board and Chief Executive Officer



Karen Field Hazin, Vice President,  
Secretary and Associate General Counsel

**GROUP FLEXIBLE PREMIUM COMBINATION FIXED AND VARIABLE DEFERRED ANNUITY CONTRACT.**

**THE PORTION OF ANNUITY ACCOUNT VALUE HELD IN THE SEPARATE ACCOUNTS MAY INCREASE OR DECREASE IN VALUE AS DESCRIBED IN PART II OF THIS CONTRACT.**

**THIS CONTRACT HAS A MARKET VALUE ADJUSTMENT PROVISION. WHEN THIS PROVISION IS IN EFFECT, THE VALUE OF THIS CONTRACT MAY DECREASE UPON TERMINATION. SEE THE SECTION "TERMINATION UNDER THIS CONTRACT".**

**INTEREST RATE GUARANTEE WITH RESPECT TO THE PORTION OF THE ANNUITY ACCOUNT VALUE HELD IN THE GUARANTEED INTEREST OPTION.**

**FIXED ANNUITY BENEFITS - NON-PARTICIPATING**





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## **PART I - DEFINITIONS**

### **SECTION 1.01 ANNUITY ACCOUNT VALUE**

"Annuity Account Value" means the sum of the amounts held for the benefit of a Participant in the Investment Options under this Contract. The Annuity Account Value does not include any amounts held for the benefit of a Participant under the Plan outside this Contract as described in the Section "Transfer Requests".

### **SECTION 1.02 ANNUITY BENEFIT**

"Annuity Benefit" means a benefit payable by AXA Equitable pursuant to Part VII of this Contract.

### **SECTION 1.03 ANNUITY COMMENCEMENT DATE**

"Annuity Commencement Date" means the date reported to AXA Equitable by the Employer or the Employer's Designee as described in Part VII on which annuity payments are to commence.

### **SECTION 1.04 APPLICATION**

"Application" means the application for participation under this Contract signed by the Owner and accepted by AXA Equitable.

### **SECTION 1.05 BENEFICIARY**

"Beneficiary" means the person who is to receive the death benefit described in the Section "Death Benefit". The Owner is the Beneficiary, unless the Employer or the Employer's Designee substitutes the Participant's beneficiary under the Plan at the time of the Participant's death, as the Beneficiary under this Contract.

### **SECTION 1.06 BUSINESS DAY**

"Business Day" means generally any day on which the New York Stock Exchange is open for trading and generally ends at 4:00 pm Eastern Time or such other time as AXA Equitable states in writing to the Owner.

### **SECTION 1.07 CASH VALUE**

"Cash Value" means for each Participant an amount equal to the Annuity Account Value, less any charge that applies as described in Part IX.

### **SECTION 1.08 CODE**

"Code" means the Internal Revenue Code of 1986, as amended at any time, or any corresponding provisions of prior or subsequent United States revenue laws. References to "the Code" in this Contract include references to applicable Federal income tax Regulations.

### **SECTION 1.09 CONTRACT**

"Contract" means this group variable annuity contract, including any endorsements and riders issued hereunder and the Application, between the Contract Holder, the Owner and AXA Equitable which funds the Plan. The terms of this Contract are agreed to by the Owner and AXA Equitable.

## **SECTION 1.10 CONTRACT DATE**

"Contract Date" means the date as of which the first Contribution is received under this Contract with respect to the Plan.

## **SECTION 1.11 CONTRACT YEAR**

"Contract Year" means, with respect to the Plan, the twelve month period starting on (i) the Contract Date and (ii) each anniversary of the Contract Date, unless AXA Equitable agrees to another period.

## **SECTION 1.12 CONTRIBUTION**

"Contribution" means a payment made to AXA Equitable as described in the Section "Contributions, Allocations".

## **SECTION 1.13 EMPLOYER**

"Employer" means a governmental unit that is a State, a political subdivision of a State, or any agency or instrumentality of a State or political subdivision of a State as defined in Section 457(e)(1)(A) of the Code, which is eligible to adopt, has adopted, and maintains, a Plan that participates under this Contract.

## **SECTION 1.14 EMPLOYER'S DESIGNEE**

"Employer's Designee" means any person(s) designated and authorized by the Employer to act on behalf of the Employer with regard to its responsibilities under the Plan, as communicated to AXA Equitable in documentation acceptable to AXA Equitable.

## **SECTION 1.15 GUARANTEED INTEREST OPTION**

"Guaranteed Interest Option" means the Investment Option that is part of AXA Equitable's general account and pays interest at guaranteed rates set by AXA Equitable.

## **SECTION 1.16 GUARANTEED INTEREST RATE**

"Guaranteed Interest Rate" means the effective annual rates at which interest accrues on the amount allocated to the Guaranteed Interest Option.

## **SECTION 1.17 INVESTMENT OPTION**

"Investment Option" means the Guaranteed Interest Option, the Stable Value Fund, a Separate Account, or a Variable Investment Option of a Separate Account.

## **SECTION 1.18 MINIMUM GUARANTEED RATE**

"Minimum Guaranteed Rate" means, with respect to the Guaranteed Interest Option, an effective minimum rate of interest as described in the Section "Guaranteed Interest Option-Conditions" and the Application.

## **SECTION 1.19 OWNER**

"Owner" is the person named as Owner of this Contract on the Application. The Owner may be either the trustee of a trust holding assets of the Plan or the Employer. Where the Employer is the Owner, the Employer owns this Contract for the exclusive benefit of Plan Participants and their beneficiaries.

## **SECTION 1.20 PARTICIPANT**

"Participant" means an individual covered under the Plan and, if the terms of Part VIII apply, who has been enrolled under this Contract.

## **SECTION 1.21 PARTICIPATION DATE**

"Participation Date" means the earliest of (a) the Business Day on which the Participant has been enrolled under this Contract, (b) the Business Day on which the Participant was enrolled under a Prior Contract, if applicable, and (c) the Business Day on which the first Contribution for the Participant is received at the Processing Office.

## **SECTION 1.22 PARTICIPATION YEAR**

"Participation Year" means, with respect to the Participant, the twelve month period starting on (i) the Participation Date and (ii) each anniversary of the Participation Date, unless AXA Equitable agrees to another period.

## **SECTION 1.23 PLAN**

"Plan" means a governmental plan described in Section 457(g) of the Code, adopted and maintained by the Employer that is intended to meet the requirements of Section 457(b) of the Code, and which Plan is named in the Application.

## **SECTION 1.24 PLAN TRUST**

"Plan Trust" means a trust, if any, adopted by the Employer for the Plan, to hold this Contract for the exclusive benefit of the Plan participants and their beneficiaries in accordance with the provisions of the Plan.

## **SECTION 1.25 PRIOR CONTRACT**

"Prior Contract" means a contract issued by AXA Equitable and from which the Owner and AXA Equitable have agreed to transfer certain liabilities associated with the Plan to this Contract.

## **SECTION 1.26 PROCESSING OFFICE**

"Processing Office" means AXA Equitable's administrative office as shown in the Application. AXA Equitable may change the Processing Office address upon written notice to the Owner.

## **SECTION 1.27 REDEMPTION FEE**

"Redemption Fee" means a charge that is assessed by and paid to the underlying portfolio of a Variable Investment Option when a Participant redeems, sells, or withdraws amounts from an applicable Variable Investment Option in accordance with the policies and procedures of the underlying portfolio.

## **SECTION 1.28 REQUIRED MINIMUM DISTRIBUTION PAYMENTS**

"Required Minimum Distribution Payments" means the payments that are required by Sections 457(b) and 401(a)(9) of the Code and which are described in the Section "Required Minimum Distributions".

## **SECTION 1.29 SEPARATE ACCOUNT**

"Separate Account" means Separate Account No. 65 , Separate Account No. 47 and any Separate Account added to this Contract as described in Part II. A Separate Account may be divided into subaccounts.

## **SECTION 1.30 SOURCE**

"Source" means any of the various sources or types of Contributions designated in the Application.

## **SECTION 1.31 STABLE VALUE FUND**

"Stable Value Fund" means Separate Account No. 47 and is the Investment Option that invests primarily in investment contracts ("IC") and in investment grade fixed income securities.

## **SECTION 1.32 TRANSACTION DATE**

"Transaction Date" means the Business Day AXA Equitable receives a Contribution or a transaction request at the Processing Office providing the information AXA Equitable needs in a form acceptable to AXA Equitable.

## **SECTION 1.33 VARIABLE INVESTMENT OPTION**

"Variable Investment Option" means a subdivision of a Separate Account. A Variable Investment Option may invest its assets in a separate class (or series) of shares of a specified trust or investment company where each class (or series) represents a separate portfolio in the specified trust or investment company.

## PART II - INVESTMENT OPTIONS

### SECTION 2.01 AVAILABILITY OF INVESTMENT OPTIONS

The Application sets forth the Investment Options available under this Contract and the number of Investment Options available for election as of the Contract Date. The Section "Contributions, Allocations" of this Contract describes the allocation of Contributions among Investment Options elected by the Owner as stated in the Application. The election is subject to the following:

- (a) The availability of Investment Options will be subject to the terms of the Plan, as reported to AXA Equitable by the Owner.
- (b) AXA Equitable reserves the right upon advance written notice provided to the Owner, to change or limit the number of Investment Options that may be elected. If this right is exercised, it will be done on a uniform and nondiscriminatory basis.

### SECTION 2.02 GUARANTEED INTEREST OPTION - CONDITIONS

#### (I) Guaranteed Interest Option

Any amount held in the Guaranteed Interest Option becomes part of AXA Equitable's general assets, which support the guarantees of this Contract as well as other policies and contracts that AXA Equitable offers.

The amount in the Guaranteed Interest Option at any time with respect to the Plan is equal to the sum of:

- all amounts that have been allocated or transferred to the Guaranteed Interest Option, plus
- the amount of any interest credited, less
- all amounts that have been withdrawn (including charges) or transferred from the Guaranteed Interest Option.

AXA Equitable will credit the amount held in the Guaranteed Interest Option with interest at effective rates that AXA Equitable sets periodically. AXA Equitable will also set a minimum rate. AXA Equitable reserves the right to increase or decrease such minimum rate at any time, subject to applicable state laws. However, the changed Minimum Guaranteed Rate will only apply to Contributions and allocations to and transfers to the Guaranteed Interest Option, as described in the Sections "Contributions, Allocations" and "Transfer Requests" respectively, made on or after the date such change is effective. The Application will describe the initial Rate(s) to apply for a stated period or periods starting with the Contract Date.

##### (a) Conditions

The Owner agrees:

- (i) All allocations to, and transfers to and from the Guaranteed Interest Option are to be made solely at the discretion of the individuals covered by the Plan; such allocations and transfers will be made without any direction or influence from the Owner. AXA Equitable is to be given at least 60 days advance written notice by the Owner of any noncompliance with this condition.
- (ii) To provide AXA Equitable with any amendment to the Plan or the Plan's investment policy, any communication by the Owner to the individuals covered by the Plan concerning the Guaranteed Interest Option or the Investment Option of the Plan to which it relates, or any change in the manner in which

the Plan is administered. Any such document is to be provided to AXA Equitable at least 60 days before its effective date. AXA Equitable may also request, and the Owner will thereupon provide, any other information that AXA Equitable reasonably determines would bear upon the flow of funds to and from the Guaranteed Interest Option.

- (iii) To remit Contributions in accordance with the Section "Contributions, Allocations";

If the conditions stated above are not complied with, or if AXA Equitable determines and so notifies the Owner by written notice that an amendment to the Plan, the Plan's investment policy, or any change in the manner in which the Plan is administered would materially and adversely affect the flow of funds to or from the Guaranteed Interest Option, then AXA Equitable will have the right to:

- (i) decline further requests for transfers to or from the Guaranteed Interest Option; and/or
- (ii) deem that a termination of Plan participation has occurred under this Contract and that the Owner has requested AXA Equitable to make payment in accordance with terms of subsection (b)(2) of the Section "Termination Under this Contract".

## **SECTION 2.03 STABLE VALUE FUND - CONDITIONS**

### **(I) Stable Value Fund**

AXA Equitable's Stable Value Fund is a pooled investment fund which invests primarily in investment contracts ("IC") and in investment grade fixed income securities subject to benefit responsive liquidity agreements and short-term money market instruments to achieve current income and stability of principal.

The income earned on the Stable Value Fund's portfolio for any given period of time generally reflects the stated rate of interest on investments held by the Stable Value Fund during that period. Because the investments have been purchased at different times, the yield of the Stable Value Fund varies from current market interest rates. Increases or decreases in market interest rates may affect the yield from the Stable Value Fund or its liquidity. AXA Equitable does not guarantee the principal amount or the investment results of the Stable Value Fund or the credit worthiness of any issuer or securities or investment contracts purchased by the Stable Value Fund.

#### **(a) Value of the Stable Value Fund**

AXA Equitable will have sole authority to determine the investments to be allocated to the Stable Value Fund, the valuation thereof and adjustments to such valuation, and the investments to be sold or otherwise disposed of. The determination of the value of the assets of the Stable Value Fund will be made in accordance with Section 4240(a)(7) of the New York Insurance Law, applicable regulations, and AXA Equitable's rules and generally accepted accounting practices related thereto (market value). Unit values of the Stable Value Fund reported with respect to each Plan will be determined in accordance with Section 1414 of such Law, and AXA Equitable's rules and generally accepted accounting practices related thereto (book value). AXA Equitable does not make any guarantees with respect to the principal and interest payments under investments held in the Fund.

#### **(b) Conditions**

The Owner agrees:

- (i) All allocations to, and transfers to and from the Stable Value Fund are to be made solely at the discretion of the individuals covered by the Plan; such allocations and transfers will be made without

any direction or influence from the Owner. AXA Equitable is to be given at least 60 days advance written notice by the Owner of any noncompliance with this condition.

(ii) To provide AXA Equitable with any amendment to the Plan or the Plan's investment policy, any communication by the Owner to the individuals covered by the Plan concerning the Stable Value Fund or the Investment Option of the Plan to which it relates, or any change in the manner in which the Plan is administered. Any such document is to be provided to AXA Equitable at least 60 days before its effective date. AXA Equitable may also request, and the Owner will thereupon provide, any other information that AXA Equitable reasonably determines would bear upon the flow of funds to and from the Guaranteed Interest Option or Stable Value Fund.

(iii) To remit Contributions in accordance with the Section "Contributions, Allocations";

If the conditions stated above are not complied with, or if AXA Equitable determines and so notifies the Owner by written notice that an amendment to the Plan, the Plan's investment policy, or any change in the manner in which the Plan is administered would materially and adversely affect the flow of funds to or from the Stable Value Fund, then AXA Equitable will have the right to:

- (i) decline further requests for transfers to or from the Stable Value Fund; and/or
- (ii) deem that a termination of Plan participation has occurred under this Contract and that the Owner has requested AXA Equitable to make payment in accordance with terms of subsection (b)(2) of the Section "Termination Under this Contract".

#### **SECTION 2.04 SEPARATE ACCOUNT**

The Separate Account(s) set forth in the Application are available under this Contract. A Separate Account may be subdivided into Variable Investment Options.

The assets of a Separate Account are AXA Equitable's property. Any income, gains or losses whether realized or unrealized from assets in a Separate Account will be credited to or charged against the account without regard to other income, gains, or losses of the Company. The portion of AXA Equitable's assets equal to the reserves and other contract liabilities will not be chargeable with liabilities which arise out of any other business AXA Equitable conducts. AXA Equitable may transfer assets of a Separate Account or a Variable Investment Option in excess of the reserves and other liabilities with respect to such Account or Fund to another Separate Account or Variable Investment Option or to AXA Equitable's general account.

AXA Equitable may, at its discretion, invest Separate Account assets in any investment which applicable law permits. AXA Equitable may rely conclusively on the opinion of counsel (including counsel in its employ) as to what investments AXA Equitable may make as law permits.

If AXA Equitable changes a Separate Account or adds Separate Accounts as described in the Section "Changes with Respect to Separate Accounts", then the terms herein related to the Separate Account will apply to the changed or added account(s).

#### **SECTION 2.05 SEPARATE ACCOUNT UNITS AND UNIT VALUES**

The amount in a Separate Account with respect to the Plan at any time is equal to the number of Units in that Account with respect to the Plan multiplied by the Unit Value which applies at that time. For the purposes of this Contract, "Unit" means a unit which is purchased in a Separate Account, and "Unit Value" means the dollar value of each Unit in a Separate Account on a given date. (If Variable Investment Options apply as described in the

Section "Separate Account", then the terms of this Section "Separate Account Units and Unit Values" apply separately to each Variable Investment Option, unless otherwise stated.)

Amounts allocated or transferred to a Separate Account are used to purchase Units of that Separate Account. Units are redeemed when amounts are deducted, transferred or withdrawn.

The number of Units in a Separate Account at any time is equal to the number of Units purchased minus the number of Units redeemed in that Account up to that time. The number of Units purchased or redeemed in a transaction is equal to the dollar amount of the transaction divided by the Separate Account's Unit Value for that Transaction Date.

AXA Equitable determines Unit Values for each Separate Account for each Valuation Period. A "Valuation Period" is each Business Day together with any consecutive preceding non-business days. For example, for each Monday which is a Business Day, the preceding Saturday and Sunday will be included to equal a three-day Valuation Period.

Unless the following paragraph applies, the Unit Value for a Separate Account for any Valuation Period is equal to the Unit Value for the immediately preceding Valuation Period multiplied by the ratio of (i) the Value of the Separate Account at the close of business at the end of the current Valuation Period, before any amounts are allocated to or withdrawn from the Separate Account in that Period, to (ii) the Value of the Separate Account at the close of business at the end of the preceding Valuation Period, after all allocations and withdrawals were made for that Period. For this purpose, "Value of the Separate Account" means the market value or, where there is no readily available market, the fair value of the assets allocated to the Separate Account, as determined in accordance with AXA Equitable's rules, accepted accounting practices, and applicable laws and regulations. For certain Separate Accounts, however, further details as to the Value of the Separate Account may be described in the Application or any endorsement hereto.

To the extent the Separate Account invests in Variable Investment Options, and the assets of the Variable Investment Options are invested in a class or series of shares of a specified trust or investment company, then the Unit Value of a Variable Investment Option for any Valuation Period is equal to the Unit Value for that Variable Investment Option on the immediately preceding Valuation Period multiplied by the Net Investment Factor for that Variable Investment Option for the current Valuation Period. The Net Investment Factor for a Valuation Period is (a) divided by (b), where

- (a) is the value of the Variable Investment Option's shares of the related portfolio of the specified trust or investment company at the end of the current Valuation Period (before taking into account any amounts allocated to or withdrawn from the Variable Investment Option for the Valuation Period and after deduction of investment advisory fees and direct operating expenses of the specified trust or investment company; for this purpose, AXA Equitable uses the share value reported to AXA Equitable by the specified trust or investment company plus the applicable dividend and capital gain rates on ex-dividend date), and
- (b) is the value of the Variable Investment Option's shares of the related portfolio of the specified trust or investment company at the end of the preceding Valuation Period (taking into account any amounts allocated or withdrawn for that Valuation Period).

## **SECTION 2.06 TYPES OF INVESTMENT OPTIONS**

The Investment Options may consist of funds which are classified as "Unrestricted" Investment Options or "Restricted" Investment Options, or any other type which may be specified in the Application, as AXA Equitable designates in its discretion for purposes of the transfer rules described in the Section "Transfer Rules". The Application will identify the specific Investment Options available pursuant to the terms of the Section

“Availability of Investment Options” and whether such Investment Options are designated Unrestricted or Restricted.

## **SECTION 2.07 CHANGES WITH RESPECT TO SEPARATE ACCOUNTS**

In addition to the right reserved pursuant to subsection (b) of the Section “Availability of Investment Options”, AXA Equitable reserves the right, subject to compliance with applicable law, including approval of Participants and the Owner if required:

- (a) to add Variable Investment Options (or sub-funds of Variable Investment Options) to, or to remove Variable Investment Options (or sub-funds) from, a Separate Account, or to add or remove Separate Accounts;
- (b) to combine any two or more Variable Investment Options or sub-funds thereof, which, in AXA Equitable's judgment, have the same general investment objectives;
- (c) to transfer the assets AXA Equitable determines to be the share of the class of contracts to which this Contract belongs from any Separate Account or Variable Investment Option to another Separate Account or Variable Investment Option which, in AXA Equitable's judgment, has the same general investment objectives;
- (d) to operate the Separate Account or any Variable Investment Option as a management investment company under the Investment Company Act of 1940; in which case charges and expenses that otherwise would be assessed against an underlying trust or investment company would be assessed against the Separate Account;
- (e) to register or deregister the Separate Account or any Variable Investment Option under the Investment Company Act of 1940, provided that such action conforms with the requirements of applicable law;
- (f) to restrict or eliminate any voting rights as to any Separate Account;
- (g) to cause one or more Separate Accounts or Variable Investment Options to invest some or all of their assets in one or more other trusts or investment companies which, in AXA Equitable's judgment, have the same general investment objectives;
- (h) to operate any Separate Account or any Variable Investment Option as a unit investment trust under the Investment Company Act of 1940;
- (i) to close an Investment Option to transfers and Contributions.

A portfolio might, in AXA Equitable's judgment, become unsuitable for investment by a Separate Account or a Variable Investment Option, in view of legal, regulatory, or federal income tax restrictions. In such event, shares of another series or shares of another unit investment trust may be substituted for shares already purchased with respect to the Separate Account or as the security to be purchased in the future, provided that such substitution meets applicable federal income tax guidelines and, to the extent required by law, has been approved by the Securities and Exchange Commission and such other regulatory authorities as may be necessary.

If the exercise of these rights results in a material change in the underlying investments of a Separate Account or a Variable Investment Option, the Contract Holder and the Owner will be notified of such exercise, as required by law.

## PART III – CONTRIBUTIONS, ALLOCATIONS AND DISCONTINUANCE

### SECTION 3.01 CONTRIBUTIONS, ALLOCATIONS

The Employer or the Employer's Designee will remit as Contributions all amounts maintained with respect to the Plan, unless AXA Equitable agrees otherwise in writing or unless such remittance is to cease pursuant to the terms of this Contract. AXA Equitable has the right to require a minimum aggregate amount of Contributions on an annual basis. The Application will specify if a minimum applies. If any such minimum amount requirement applies and the minimum is not met, AXA Equitable has the right to deem that a termination of Plan participation has occurred and to apply the terms of subsection (b) of the Section "Termination Under this Contract".

In the Application the Employer elects which Investment Options will be available under the Plan through this Contract, subject to the terms of Sections "Availability of Investment Options" and "Stable Value Fund-Conditions". Once this choice is made, Contributions may only be allocated to, or transfers made among, the elected Investment Options. The Employer may add or subtract Investment Options to be available by sending AXA Equitable a written request, but AXA Equitable has the right to decline such request.

Each Contribution is allocated pursuant to the allocation instructions submitted by the Participant in a form acceptable to AXA Equitable. Contributions made to a Variable Investment Option will be used to purchase Units in that Variable Investment Option on the Transaction Date. If allocation instructions have not been submitted, Contributions will be allocated to the default investment option shown on the Application.

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AXA Equitable indicates in this Section and the Application any limits on the type, Source or amount of Contributions AXA Equitable will accept.

No Contributions will be accepted unless they are in United States currency. AXA Equitable reserves the right not to accept funds by electronic means unless they meet AXA Equitable's specifications. If AXA Equitable determines that an applicable tax charge described in the Section, "Applicable Tax Charges," applies to Contributions, AXA Equitable reserves the right to reduce Contributions by the amount of any such applicable tax charge before Contributions are allocated among the Investment Options under this Contract.

The Employer or the Employer's Designee makes Contributions from time to time pursuant to the terms of the Plan. Before making Contributions to this Contract the Employer or the Employer's Designee will report in a manner acceptable to AXA Equitable the types or Sources of Contributions it may make or permit to be made to this Contract under the Plan. AXA Equitable does not accept any Contributions unless AXA Equitable has documentation acceptable to AXA Equitable that such Contribution is permitted under the Plan.

At the time the Contribution is made, the Employer or the Employer's Designee must indicate the Source of the Contribution as designated on the Application.

AXA Equitable will separately account for the different types of Contribution Sources. If the Employer or the Employer's Designee fails to indicate the Source or type of the Contribution or if the Employer or Employer's Designee fails to identify the Source of a direct transfer, AXA Equitable will identify the Source as employee pre-tax salary deferral.

Contributions to this Contract determined by reference to compensation are limited to the maximum amount that may be deferred for a Participant for any taxable year under Section 457 of the Code.

Direct transfers and rollover Contributions may not be made to this Contract unless permitted by the terms of the Plan, and the Employer or Employer's Designee documents approval in a manner acceptable to AXA Equitable. A "rollover contribution" is one permitted by any of the following Sections of the Code: 402(c), 402(e)(6),

403(a)(4), 403(b)(8), 408(d)(3) and 457(e)(16). If permitted by the Plan, pre-tax rollover Contributions from a traditional IRA or a 401 or 403(b) defined contribution plan, are permitted. Rollover Contributions to a designated Roth rollover account from a designated Roth account under a 401(k) or 403(b) plan are permitted, only if designated Roth payroll Contributions are made. Rollover Contributions will be separately accounted for as required under the Code.

If AXA Equitable is notified or AXA Equitable determines that any Contributions would cause this Contract not to qualify under Section 457(b) of the Code, AXA Equitable reserves the right to either (i) refuse to accept those Contributions, or (ii) separately account for such Contributions and any allocable net income in a nonqualified deferred annuity contract or other permissible contractual arrangement for the exclusive benefit of the Participants and the Participants' Beneficiaries. AXA Equitable is not required to monitor compliance with contribution limits under Section 457(b).

### **SECTION 3.01A CONTRIBUTIONS FROM OTHER CONTRACTS**

Subject to AXA Equitable's agreement, when the initial Contribution to this Contract is derived from a prior funding vehicle of the Plan, AXA Equitable may credit the Participant's Annuity Account Value at the time AXA Equitable receives such Contribution with an amount equal to the surrender charge and/or market value adjustment incurred by the Plan (if applicable) in withdrawing such amounts from its prior funding vehicle, but not exceeding 3.00% of the Participant's initial Contribution. Such additional credit will be allocated as described in the Section "Contributions, Allocations".

### **SECTION 3.02 DISCONTINUANCE OF CONTRIBUTIONS**

Contributions under this Contract will continue with respect to the Plan unless one of the following circumstances occurs which would result in the discontinuance of such Contributions:

- (a) the Internal Revenue Service has determined that the Plan fails to qualify under Section 457(b) of the Code and applicable Treasury Regulation and AXA Equitable receives notice of such fact. Payments will be made as described in subsection (a) of Section "Termination Under this Contract".
- (b) the Owner notifies AXA Equitable that participation of the Plan under this Contract is to be terminated, in which case the Owner will discontinue Contributions to this Contract.
- (c) This Contract fails to qualify as an annuity, AXA Equitable will have the right, upon receiving notice of such fact, to terminate this Contract.
- (d) AXA Equitable decides to replace the terms of this Contract with terms available under a different contract issued by AXA Equitable or one of its affiliated or subsidiary life insurance companies for plans qualified under Section 457(b) of the Code and the Owner disapproves of such change after notice by AXA Equitable to the Owner of such change.

Any notice of discontinuance of Contributions described above will require 90 days written notice by either the Owner or AXA Equitable, as applicable, of such intent to discontinue Contributions under this Contract. If discontinuance is caused by an application of subsections (a) or (b) of this Section and if this Contract is subject to a Withdrawal Charge for such occurrence, then such Withdrawal Charge will be made in accordance with the Section "Withdrawal Charges". AXA Equitable will deduct such charges from the Participants' Annuity Account Values. If however, discontinuance of Contributions was a result of an application of subsections (c) or (d) of this Section, AXA Equitable will pay the Annuity Account Value to the Owner on behalf of the Participants.

### **Effect of Discontinuance on Stable Value Fund**

If Contributions under this Contract are discontinued, then AXA Equitable will establish a schedule of payments of all amounts held for affected Participants in the Stable Value Fund (including investment return, at the rate(s) applicable to the Account during the scheduled payment period, on such amounts held during such period), minus any applicable Withdrawal Charges.. Such schedule will be provided by AXA Equitable within 60 days after the "discontinuance date" (the date either party elects to discontinue this Contract or the date the Employer's request for termination is received at the Processing Office, whichever applies.) Such schedule will be determined based on maturities of the underlying assets held in the Stable Value Fund as of the date the schedule is established and will provide that the final payment is made, subject to the terms of the next paragraph, no later than the first day of the calendar quarter which coincides with or immediately follows the twelve month period beginning on the discontinuance date.

The scheduled payment(s) will be made as of the first day of the calendar quarter following (a) the maturity date(s) of such assets, or (b) if earlier, the date to which a payment under any such asset may be accelerated pursuant to its terms. In addition, payments may be made earlier than scheduled if the Employer consents; payments may be made later than scheduled if the payments under an underlying asset during the scheduled payment period are less than those which were expected as of the discontinuance date. In any event, the actual payments will be made with regard to the best interests of the Stable Value Fund and plans participating therein.

During the period before the payment of all such amounts will be completed, AXA Equitable will permit withdrawals to make "Benefit Distributions" described in subsection (e) of the Section "Termination Under this Contract", loans, and transfers among Investment Options pursuant to the Section "Transfer Requests", if the amounts then held in other funding vehicles, if any, with respect to the Plan are not sufficient to provide such withdrawals.

## PART IV - TRANSFERS AMONG INVESTMENT OPTIONS

### SECTION 4.01 TRANSFER REQUESTS

The Employer or Employer's Designee may, upon request, in a form acceptable to AXA Equitable, transfer, pursuant to the terms of the Plan, all or part of the amount held in an Investment Option to one or more of the other Investment Options. The request will specify the Source(s), if applicable as described in Part VIII, to which the transfer applies. All transfers will be made on the Transaction Date and will be subject to the terms of the Section "Transfer Rules" and to AXA Equitable's rules in effect at the time of transfer. With respect to a Separate Account, the transfers will be made at the Unit Value next computed after the Transaction Date.

AXA Equitable and the Owner may agree to permit transfers from this Contract to investment options that are provided under the Employer's Plan but not under this Contract. The Owner may thereupon request AXA Equitable to withdraw amounts from the Annuity Account Value to enable Participants to make transfers to such other investment options. Such transfers are subject to AXA Equitable's consent and will not be treated as a withdrawal.

### SECTION 4.02 TRANSFER RULES

If the Owner has elected any Restricted Investment Option(s), as described in the Section "Types of Investment Options" and specified in the Application, whether or not amounts are actually held with respect to the Plan in any such Restricted Investment Option, then the following applies if specified in the Application:

The maximum amount which may be transferred with respect to the Plan from the Guaranteed Interest Option to a Separate Account or any Variable Investment Option of a Separate Account, during any period consisting of the current and three immediately preceding calendar quarters (the "Transfer Period"), is:

- (a) a percentage of the amount in the Guaranteed Interest Option with respect to the Plan on the last day of the calendar year which precedes the date of transfer or, if greater,
- (b) the total of all amounts transferred at the Employer's or the Employer's Designee's request from the Guaranteed Interest Option to any Separate Account or Variable Investment Option in such preceding calendar year.

The percentage referred to in subsection (a) above will be stated in the Application. The actual percentage to apply with respect to the Plan will be determined by AXA Equitable on a uniform and nondiscriminatory basis. In any event, AXA Equitable may not impose a transfer rule which involves a percentage less than 5%.

However, if an amount was allocated to the Guaranteed Interest Option in consequence of a mass transfer of Plan funds (that is, a transfer initiated by the Owner for its employees) from another funding vehicle, the maximum amount which may be transferred from the Guaranteed Interest Option for the Transfer Period in which such allocation occurred will be an amount equal to the percentage determined in (a) above, but applied to the amount initially allocated to the Guaranteed Interest Option on each Participant's behalf.

Any transfer rules respecting disruptive transfer activity are shown in the Application.

Transfers out of the Stable Value Fund may not be allocated to the EQ/Money Market unless the amount withdrawn from the Stable Value Fund is first invested in an "Unrestricted" Investment Option as described in the Section "Types of Investment Options" for a period of no less than three months. AXA Equitable reserves the right to designate another Investment Option with a Stable Value Fund transfer restriction upon prior notice.

Amounts may be transferred from the Stable Value Fund to other Investment Options under this Contract. However, such withdrawals may not be reinvested in the EQ/Money Market under this Contract unless the amount withdrawn is first invested in an Unrestricted Investment Option for a period of no less than three months (“equity wash”).

#### **SECTION 4.03 TRANSFERS AFTER TERMINATION OF CONTRACT PARTICIPATION OR PLAN TERMINATION**

In the case of a Plan for which a notice is received from the Owner to terminate participation under this Contract, no transfers may be made on and after the date AXA Equitable receives a request for withdrawal from the Guaranteed Interest Option pursuant to subsection (b) of the Section “Termination Under this Contract”.

In addition, if the termination of participation is due to termination of the Plan as described in subsection (a) of the Section “Termination Under this Contract”, then no transfers may be made on and after the date AXA Equitable receives notice of the Plan termination and before a period of 90 days has elapsed, except that transfers already being made in accordance with any automatic transfer option available from AXA Equitable will be continued during such period. After the end of such 90-day period, transfers will be permitted and, regardless of which Separate Account Investment Options had been elected with respect to the Plan, the maximum amount that may be transferred to a Separate Account or a Variable Investment Option of a Separate Account from the Guaranteed Interest Option in any Transfer Period will be an amount equal to a percentage (determined as described by notice to the Owner from AXA Equitable) of the amount, if any, that was held in the Guaranteed Interest Option as of the last day of such 90-day period.

## **PART V - WITHDRAWALS, DEATH BENEFITS, AND TERMINATION**

### **SECTION 5.01 WITHDRAWALS**

The Employer or Employer's Designee may make a request in a form acceptable to AXA Equitable for a withdrawal from the Investment Options with respect to a Participant pursuant to the terms of the Plan.

On the Transaction Date, AXA Equitable will pay the amount of the withdrawal requested or, if less, the Cash Value, subject to the terms of the Section "Withdrawal Charges". The withdrawal to be made to provide the payment will be made from the Investment Options specified by the Employer or Employer's Designee, subject to the terms of the Section "Participant Account Withdrawals". The payment arising from the withdrawal will be made to the trustee(s) for the Plan, unless the Employer or Employer's Designee and AXA Equitable agree to another payee.

Except as otherwise permitted under Section 457 of the Code and in accordance with the terms of the Plan, amounts will not be paid to Participants or their Beneficiaries earlier than (i) the calendar year in which a Participant attains age 70 ½, (ii) when a Participant has a severance from employment with the Employer, (iii) when a Participant is faced with an unforeseeable emergency (within the meaning of applicable federal income tax Regulations), (iv) when permissible distributions must be made pursuant to a qualified domestic relations order, (v) in the case of Plan termination or (vi) any other transactions permissible under the Code and the Plan.

However, prior to making any payment, AXA Equitable may request from the Employer or Employer's Designee such information as it may reasonably require in determining that the withdrawal is necessary and proper under the terms of the Plan and is not made in order to avoid the effect of subsection (b) of the Section "Termination Under this Contract". In addition, AXA Equitable may request from the Employer or Employer's Designee similar information with respect to withdrawals previously made. If (a) such information is not submitted as requested, or (b) AXA Equitable determines from information submitted that withdrawals previously made were made in order to avoid the effect of subsection (b) of the Section "Termination Under this Contract", or (c) AXA Equitable determines that the pattern of certain withdrawals previously made has the effect of a termination of participation under this Contract with respect to the Plan, then AXA Equitable has the right to deem that a termination of Plan participation has occurred in whole or in part and to apply the terms of subsection (b) of the Section "Termination Under this Contract". In the event that the terms of subsection (b) of the Section "Termination Under this Contract" are so applied, and pursuant to such terms a Market Value Adjustment would have been assessed with respect to the aggregate amount of such previous withdrawals, then the Employer or Employer's Designee will pay to AXA Equitable an amount equal to such Market Value Adjustment, as determined by AXA Equitable; if such amount is not paid as required, AXA Equitable will have the right to deduct the amount proportionately from the Investment Options under this Contract.

### **SECTION 5.02 DEATH BENEFIT**

Upon receipt by AXA Equitable of due proof of death of the Participant, and any instructions and required forms to effect the payment, AXA Equitable will pay to the Plan or the beneficiary under the Plan, as directed by the Employer, a death benefit. The death benefit is equal to the Annuity Account Value.

AXA Equitable will pay the death benefit elected by the Beneficiary and reported by the Employer subject to the rules then in effect and the requirements of law. A Beneficiary may elect from the following payment options:

- (a) to receive the death benefit in a single sum;
- (b) to apply the death benefit to the purchase of an Annuity Benefit in a form then offered by AXA Equitable;
- (c) to apply the death benefit to provide any other form of benefit then offered by AXA Equitable;

- (d) to apply the death benefit to an account or accounts under this Contract maintained for the benefit of such Beneficiary or Beneficiaries, if the terms of Part VIII apply; or
- (e) to directly roll over the death benefit (in the case of a spousal Beneficiary) to another eligible retirement plan and (in the case of a non-spousal Beneficiary if and as permitted by the Plan) to one or more inherited IRA accounts maintained on behalf of the Beneficiary.

## **SECTION 5.03 TERMINATION UNDER THIS CONTRACT**

### **(a) Plan Termination:**

If the Plan is to terminate, in whole or in part, without immediate establishment of a successor plan sponsored by the Employer, the Employer will provide AXA Equitable with (i) 90 days advance written notice and evidence satisfactory to AXA Equitable of such termination. If the Plan is to terminate in part, and if Participant accounts are maintained, the Employer or Employer's Designee will also provide a listing of the Participants covered by such termination. After such notice has been received, withdrawals will be made in accordance with the following:

#### **(1) Withdrawals from Separate Accounts:**

After such notice has been received, any withdrawal from any Variable Investment Option that is requested by the Employer or Employer's Designee on behalf of a Participant will continue to be made in accordance with the provisions of the Section "Withdrawals".

If the Employer or Employer's Designee so requests in writing, AXA Equitable will pay the aggregate of all amounts then held in any Separate Account on the Transaction Date with respect to the Plan, minus any applicable Withdrawal Charges and any tax charges in accordance with the Section "Applicable Tax Charges".

#### **(2) Withdrawals from the Guaranteed Interest Option:**

After such notice has been received, any withdrawal from the Guaranteed Interest Option that is requested in writing by the Employer or Employer's Designee on behalf of a Participant, other than a withdrawal that is in connection with a "Benefit Distribution" as described in subsection (e) below, will be made in accordance with this subsection (a)(2). AXA Equitable will accept requests for such withdrawals only after 90 days has elapsed from AXA Equitable's receipt of the written notice. Payment of the requested withdrawal will commence, or will be made, within 30 days of the later of (i) receipt of such request at AXA Equitable's Processing Office, or (ii) the end of such 90-day period.

- (A) AXA Equitable will, subject to the following provisions, pay such withdrawal in annual installments over a period not to exceed 59 months, as described in subsection (d) below and without a Market Value Adjustment described in subsection (f) below or Withdrawal Charge described in the Section "Withdrawal Charges".
- (B) No transfers may be made on and after the date AXA Equitable receives notice of the Plan termination and before a period of 90 days has elapsed, except that transfers already being made in accordance with any automatic transfer option available from AXA Equitable will be continued during such period. After the end of such 90-day period, transfers will be permitted and, regardless of which Separate Account Investment Options had been elected with respect to the Plan, the maximum amount that may be transferred

to a Separate Account or a Variable Investment Option of a Separate Account from the Guaranteed Interest Option in any Transfer Period will be an amount equal to a percentage (as stated in the Application) of the amount, if any, that was held in the Guaranteed Interest Option as of the last day of such 90-day period.

- (C) If, during the installment period, the Employer reports to AXA Equitable that all or part of the balance of the installments are to be paid in connection with a Benefit Distribution, AXA Equitable will pay in a single sum the amount requested.

AXA Equitable reserves the right to pay amounts withdrawn from the Guaranteed Interest Option as described in subsection (a)(2) of the Section "Termination Under this Contract", in a single sum in lieu of such annual installments, if the aggregate amount held in the Guaranteed Interest Option with respect to the Plan is less than \$1,000,000. Such single sum will be equal to the lesser of (i) the amount of the withdrawal requested, minus any Withdrawal Charges that apply pursuant to the Section "Withdrawal Charges", and (ii) the amount of the withdrawal requested reduced by any Market Value Adjustment that applies pursuant to subsection (f) below, provided, however, that such Market Value Adjustment will not exceed 7%. If a Market Value Adjustment applies, such single sum payment will not be less than the sum of (a) all amounts, other than interest, allocated or transferred to the Guaranteed Interest Option with respect to the Participant and not subsequently withdrawn, transferred or deducted there from, and (b) interest earned on such amount, accrued at the respective Minimum Guaranteed Rate(s). If a Market Value Adjustment applies, then the amount to be paid will be determined as of the "Calculation Date" defined in subsection (f) below, and will include interest at the then applicable Guaranteed Interest Rate from the Calculation Date to the "Effective Date of Withdrawal" defined in subsection (f) below.

Notwithstanding the above, the Employer or the Employer's Designee may request that the withdrawal from the Guaranteed Interest Option be paid in a single sum in lieu of such annual installments. If AXA Equitable agrees, then such single sum will be equal to the amount described in the immediately preceding paragraph, without regard, however, to the 7% limit on a Market Value Adjustment.

Any amount to be paid pursuant to this subsection (a)(2) plus, if applicable, any Withdrawal Charge described in the Section "Withdrawal Charges" or Market Value Adjustment will be withdrawn from the amounts held in the Guaranteed Interest Option.

**(3) Withdrawals from the Stable Value Fund:**

If termination of coverage under this Contract applies pursuant to this Section "Termination Under this Contract", then AXA Equitable will establish a schedule of payments of all amounts held for affected Participants in the Stable Value Fund (including investment return, at the rate(s) applicable to the Account during the scheduled payment period, on such amounts held during such period), minus any applicable Withdrawal Charges. Such schedule will be provided by AXA Equitable within 60 days after the "discontinuance date" (the date either party elects to discontinue this Contract or the date the Employer's request for termination is received at the Processing Office, whichever applies.) Such schedule will be determined based on maturities of the underlying assets held in the Stable Value Fund as of the date the schedule is established and will provide that the final payment is made, subject to the terms of the next paragraph, no later than the first day of the calendar quarter which coincides with or immediately follows the twelve month period beginning on the date of discontinuance.

The scheduled payment(s) will be made as of the first day of the calendar quarter following (a) the maturity date(s) of such assets, or (b) if earlier, the date to which a payment under any such asset

may be accelerated pursuant to its terms. In addition, payments may be made earlier than scheduled if the Employer consents; payments may be made later than scheduled if the payments under an underlying asset during the scheduled payment period are less than those which were expected as of the discontinuance date. In any event, the actual payments will be made with regard to the best interests of the Stable Value Fund and plans participating therein.

During the period before the payment of all such amounts will be completed, AXA Equitable will permit withdrawals to make "Benefit Distributions" described in subsection (e) below, loans, and transfers among Investment Options pursuant to the Section "Transfer Rules", if the amounts then held in other funding vehicles, if any, with respect to the Plan are not sufficient to provide such withdrawals.

**(b) Termination of Plan Participation Under this Contract:**

If the Plan is to terminate its participation in this Contract, the Employer will provide AXA Equitable with 90 days advance written notice of such termination and instructions for the payment of amounts described below. After such notice and instructions have been received, withdrawals will be made in accordance with the following if the Employer or Employer's Designee so requests in writing:

**(1) Withdrawals from Separate Accounts:**

AXA Equitable will pay the aggregate of the amounts then held in any Separate Account with respect to the Plan, minus any applicable Withdrawal Charges.

**(2) Withdrawals from the Guaranteed Interest Option:**

AXA Equitable will accept requests for withdrawals only after 90 days has elapsed from AXA Equitable's receipt of the written notice. Payment of the requested withdrawal will commence (in the case of installments), or will be made (in the case of a single sum), within 30 days of the later of (i) receipt of such request at AXA Equitable's Processing Office, or (ii) the end of such 90-day period.

- (A) The amounts in the Guaranteed Interest Option will be paid in annual installments over a period not to exceed 59 months, as described in subsection (d) below.
- (B) No Withdrawal Charge or Market Value Adjustment will apply with respect to the installments.
- (C) AXA Equitable will have the right to discontinue maintenance of Participant-level records and, in lieu thereof, to (i) treat all amounts remaining in the Investment Options as a single Annuity Account Value, with the Employer as sole Participant, and (ii) rely fully upon the advice of the Employer for any Participant-level information required to process transactions hereunder, including but not limited to the payment of death benefits.
- (D) Anything in this Contract to the contrary notwithstanding, any repayments of loans, as described in Part VI of this Contract, on and after the beginning of the installment period are to be made to the then active funding vehicle of the Plan.
- (E) On and after AXA Equitable's receipt of the Employer's or Employer's Designee's request for payment, no other withdrawals from, and no transfers to or from, the Guaranteed

Interest Option will be made except in conjunction with Benefit Distributions subject to subsection (F) following.

- (F) The amount of any withdrawal for a Benefit Distribution while installments are in progress will be the amount required therefore, minus any amount then held in another funding vehicle with respect to the Plan.
- (G) On and after the Employer's request for termination of the Plan's participation under this Contract, no further Contributions may be made to the Guaranteed Interest Option with respect to the Plan.

AXA Equitable reserves the right to pay amounts withdrawn from the Guaranteed Interest Option in a single sum in lieu of such annual installments described above, if the aggregate amount held in the Guaranteed Interest Option with respect to the Plan is less than \$1,000,000. Such single sum will be equal to the lesser of (i) the amount of withdrawal requested, minus any Withdrawal Charges that apply pursuant to the Section "Withdrawal Charges", and (ii) the amount of withdrawal requested reduced by any Market Value Adjustment that applies pursuant to subsection (f) below, provided, however, that such Market Value Adjustment will not exceed 7%. If a Market Value Adjustment applies, then the amount to be paid will be determined as of the "Calculation Date" defined in subsection (f) below, and will include interest at the then applicable Guaranteed Interest Rate from the Calculation Date to the "Effective Date of Withdrawal" defined in subsection (f) below. If a Market Value Adjustment applies, such single sum payment will not be less than the sum of (a) all amounts, other than interest, allocated or transferred to the Guaranteed Interest Option with respect to the Participant and not subsequently withdrawn, transferred or deducted there from, and (b) interest earned on such amounts, accrued at the respective Minimum Guaranteed Rate(s).

Notwithstanding the above, the Employer may request that the withdrawal be paid in a single sum in lieu of such annual installments. If AXA Equitable has agreed, then such single sum will be equal to the amount described in the immediately preceding paragraph, without regard, however, to the 7% limit on a Market Value Adjustment.

### **(3) Withdrawals from the Stable Value Fund:**

If termination of coverage under this Contract applies pursuant to this Section "Termination Under this Contract", then AXA Equitable will establish a schedule of payments of all amounts held for affected Participants in the Stable Value Fund (including investment return, at the rate(s) applicable to the Account during the scheduled payment period, on such amounts held during such period), minus any applicable Withdrawal Charges. Such schedule will be provided by AXA Equitable within 60 days after the "discontinuance date" (the date either party elects to discontinue this Contract or the date the Employer's request for termination is received at the Processing Office, whichever applies.) Such schedule will be determined based on maturities of the underlying assets held in the Stable Value Fund as of the date the schedule is established and will provide that the final payment is made, subject to the terms of the next paragraph, no later than the first day of the calendar quarter which coincides with or immediately follows the twelve month period beginning on the discontinuance date.

The scheduled payment(s) will be made as of the first day of the calendar quarter following (a) the maturity date(s) of such assets, or (b) if earlier, the date to which a payment under any such asset may be accelerated pursuant to its terms. In addition, payments may be made earlier than scheduled if the Employer consents; payments may be made later than scheduled if the payments under an underlying asset during the scheduled payment period are less than those which were

expected as of the discontinuance date. In any event, the actual payments will be made with regard to the best interests of the Stable Value Fund and plans participating therein.

During the period before the payment of all such amounts will be completed, AXA Equitable will permit withdrawals to make "Benefit Distributions" described in subsection (e) below, loans, and transfers among Investment Options pursuant to the Section "Transfer Rules", if the amounts then held in other funding vehicles, if any, with respect to the Plan are not sufficient to provide such withdrawals.

**(c) Notification of Disqualification of the Plan or Contract:**

If AXA Equitable receives documentation that the Plan fails to qualify or no longer meets the requirements of Section 457(b) of the Code, or this Contract fails to qualify or no longer qualifies in whole or in part as a 457(b) funding vehicle, AXA Equitable reserves the right to terminate the Plan's participation under this Contract. In that event, AXA Equitable will either (i) pay the amounts held in the Investment Options with respect to the Plan as if the Employer had terminated the Plan's participation under this Contract in accordance with subsection (b) above or (ii) transfer the amounts held in the Investment Options to another contract agreed to by both the Owner and AXA Equitable.

**(d) Installment Payments:**

Any installments to be paid pursuant to subsection (a)(2) or subsection (b)(2), above of this Section "Termination Under this Contract", will be made in accordance with the following:

- (i) The first such installment will be paid on a Business Day that is not more than 30 days after receipt at AXA Equitable's Processing Office of the applicable request for payment.
- (ii) Each of the next four annual installments will be paid, respectively, on the first Business Day on or after each anniversary of the first installment.
- (iii) The final installment will be paid on the Business Day before the fifth anniversary of the day the first installment was paid.
- (iv) Each such installment will be equal to the amount then in the Guaranteed Interest Option divided by the number of remaining installments, including the one then due.

**(e) Benefit Distribution:**

A "Benefit Distribution" for the purposes of this Section "Termination Under this Contract" means payment with respect to a Participant under the terms of the Plan in any of the following circumstances or as otherwise stated in the Application:

- (i) as a result of the Participant's retirement;
- (ii) as a result of the Participant's death;
- (iii) as a result of the Participant's "unforeseeable emergency" within the meaning of the applicable federal income tax regulations. The Employer or Employer's Designee will advise AXA Equitable if a benefit distribution is attributable to an unforeseeable emergency;
- (iv) as a result of the Participant's separation from service with the Employer;

- (v) in connection with a Required Minimum Distribution, as described in the Section "Required Minimum Distribution".

**(f) Market Value Adjustment:**

Any single sum withdrawal from the Guaranteed Interest Option pursuant to subsection (a)(2) or subsection (b)(2) above, of this Section "Termination Under this Contract", will be subject to a Market Value Adjustment (unless specified otherwise in either such subsection or in the Application) if:

- (i) no Withdrawal Charge applies to such withdrawal; or
- (ii) the Withdrawal Charge that applies is less than the Market Value Adjustment.

The term "Market Value Adjustment" means the greater of (A) zero, and (B) a percentage equal to:

- (i) the sum of all market value adjustments for quarterly generations in the Guaranteed Interest Option, as determined pursuant to the next paragraph, with respect to the Plan as of the "Effective Date of Withdrawal," divided by
- (ii) the amount held in the Guaranteed Interest Option with respect to the Plan as of the Effective Date of Withdrawal.

For purposes of such calculation, the Guaranteed Interest Option will be deemed to consist of a series of quarterly generations, one for each calendar quarter during which the Plan participated in the Guaranteed Interest Option.

The Market Value Adjustment for each such quarterly generation is the product of (A), (B) and (C) as follows:

- (A) the amount of the Plan's "net cash flow" in the given quarterly generation as of the Effective Date of Withdrawal;
- (B) the rate equal to
  - (1) the interest rate, as of the applicable "Calculation Date," for a five-year Treasury bond, minus
  - (2) the "average interest rate," during the calendar quarter in which such quarterly generation was first established, for five-year Treasury bonds, less 0.25%, subject to the following provisions of this subsection;
- (C) the fraction equal to the number of calendar days from the Effective Date of Withdrawal which occasioned this calculation to the maturity date for the given quarterly generation divided by 365. Such maturity date will be the quinquennial anniversary of the first Business Day of the given quarterly generation.

"Effective Date of Withdrawal" for this purpose means the Business Day on which AXA Equitable is to make payment of the requested withdrawal pursuant to the terms of subsection (a) or subsection (b) of this Section "Termination Under this Contract".

"Calculation Date" for this purpose means the Business Day occurring on or next following the date on which AXA Equitable receives the Employer's request for payment pursuant to the terms of subsection (a) or subsection (b) of this Section "Termination Under this Contract". The Calculation Date is the date as of which AXA Equitable determines the Market Value Adjustment.

The "average interest rate" to be used for purposes of item (B)(2) above with respect to a given quarterly generation whose first Business Day was more than five years before the Calculation Date will be the average interest rate for the most recent calendar quarter whose first Business Day was a quinquennial anniversary of the first Business Day of the given quarterly generation.

The plan's "net cash flow" in a given quarterly generation is the sum of all allocations (including interest credited) and transfers to, minus all withdrawals, deductions and transfers from, the Guaranteed Interest Option with respect to such quarterly generation. AXA Equitable may, to the extent that such data are unavailable on the Calculation Date, estimate the applicable amount on the basis of appropriate historical data. The interest rate on a five-year Treasury bond will be determined by using the applicable rate of interest (on an annual effective yield basis) specified in the United States Treasury Department's Constant Maturity Series for that date. If the interest rate associated with a five-year Treasury bond is not available in that series, the rate will be determined by linear interpolation between the next lower and next higher available maturities. The source for the United States Treasury Department's Constant Maturity Series will be the Federal Reserve Statistical Release F.15 Bulletin. If for any reason this series is not available, the interest rate will be based on a comparable series.

AXA Equitable may at any time substitute a bond of different maturity for the five-year Treasury bond referred to in this subsection, provided that (i) any such change will apply only to Plans which begin participation under this Contract after such change, and (ii) such change will be made by advance written notice to the applicable Employer. In such event, the references in this subsection to "five years" and "quinquennial anniversary" will be deemed to have been correspondingly changed.

## **SECTION 5.04-DIRECT ROLLOVER WITHDRAWALS**

Unless otherwise instructed by the Employer or the Employer's Designee, any withdrawal request for a direct rollover from a Participant's account must be made through the Employer.

A Participant may elect to have all or any portion of the Participant's Cash Value paid directly to another "eligible retirement plan" in a "direct rollover transaction" in accordance with Sections 457(e)(16), 402(c) and 401(a)(31) of the Code. A surviving spouse Plan beneficiary who has been substituted as the Beneficiary under this Contract may also elect a direct rollover of the Death Benefit described in the "Death Benefit" Section of this Contract.

In order to elect this option all of the following requirements must be met:

- (a) The recipient of the distribution must be an eligible retirement plan maintained for the Participant's benefit (or for the benefit of the Participant's surviving spouse).
- (b) The distribution must not include any after-tax Contributions to this Contract except as otherwise permitted under the Code.
- (c) The direct rollover option is not available to the extent that a Required Minimum Distribution is required under Sections 457 and 401(a)(9) of the Code. See the Section, "Required Minimum Distributions", below. If the Participant elects a payment option under Part VII, "Annuity Benefits and Required Minimum Distributions", which is either a life-contingent annuity or pays substantially equal periodic payments for a period of ten years or more, the direct rollover option does not apply to those funds.

- (d) The direct rollover option is not available for a distribution due to an unforeseeable emergency, except as otherwise permitted under the Code.

Unless prohibited by the Plan, non-spousal death beneficiaries may directly roll over death benefits to a new inherited individual retirement arrangement as provided in the Code.

If the Plan permits contract terminations due to small account balances, if the balance is more than \$1,000 and less than \$5,000 and the Participant does not elect to either (i) receive the distribution or (ii) specify an eligible retirement plan to receive the distribution in a direct rollover, then AXA Equitable will directly roll over the distribution to an individual retirement plan designated by the Employer or the Employer's Designee.

## PART VI - WITHDRAWALS TO EFFECT PLAN LOANS

### SECTION 6.01 WITHDRAWALS TO EFFECT EMPLOYER PLAN LOANS TO PARTICIPANTS

The Employer or the Employer's Designee may request, if permitted by the Plan and the Code, and identified on the Application, withdrawals from a Participant's Annuity Account Value to make a Plan loan to a Participant. Withdrawals for Participant loans will be subject to the charges described in the Section "Withdrawal Charges".

Withdrawals for Plan loans will be taken from the Investment Options on a pro-rata basis, unless the Employer or Employer's Designee advises otherwise. The Employer or Employer's Designee will specify from which Sources, if applicable, the withdrawal is to be made.

### SECTION 6.02 TERMS - RESTRICTIONS

If and as permitted by the Plan the Participant's loan is subject to the terms of the Plan and the Code. Future restrictions in the Code may require changes in the terms and availability of loans.

#### A. Loan Amount:

The Plan loan must by its terms be for an amount within the terms specified in the Code and applicable Treasury regulations.

The minimum loan amount will be set forth in the Plan, but in no event will the minimum amount of a loan be less than \$1,000.

The loan amount requested cannot exceed the maximum loan amount permitted under the Plan and Section 72(p) of the Code. The maximum loan amount is limited to the maximum amount aggregated for all Plan loans which the Participant has outstanding under all qualified plans of the Employer and other funding vehicles under the Plan, as required by Section 72(p) of the Code, as determined and reported by the Employer or Employer's Designee.

The maximum loan amount a Participant is permitted under the Code may not be more than the lesser of (A) or (B) below:

(A) \$50,000, less the highest outstanding balance of loans under any other funding vehicles under the Plan or any other qualified plan that the Participant has with the Employer during the one-year period ending on the day before the Loan Effective Date, over the outstanding balance of loans under any other funding vehicles under the Plan or other qualified plans of the Employer on the Loan Effective Date.

(B) The greater of (i) one half the present value of the Participant's nonforfeitable accrued benefit under all of the funding vehicles under the Plan or other qualified plans of the Employer or (ii) \$10,000.

#### B. Loan Term:

The loan term will be for a maximum of five years. If the Participant states on the Loan Request Form that the purpose of the loan is to purchase his/her primary residence, the loan term will be for a maximum of thirty years. Repayment of the loan may be accelerated and full repayment of any unpaid principal and interest will be required upon the earliest of (1) the reporting and first payment of the Participant's Annuity Benefits as described under the Section, "Report For Annuity Benefit", (2) the date of termination pursuant to the Sections, "Discontinuance of Contributions", "Participant Accounts" and "Termination of Coverage Under this Contract", (3) the date AXA Equitable pays a death benefit pursuant to the Section, "Death Benefit" or (iv) any date AXA Equitable

determines that the Code requires acceleration of the loan repayment so that the Federal income tax status of this Contract is not adversely affected.

**C. Loan Interest Rate:**

The interest rate applicable to each Plan loan will be set by the Employer and will be communicated to AXA Equitable, subject to the terms of the Plan. If no interest rate is provided to AXA Equitable, the interest rate that will apply will be equal to the Prime Interest Rate plus 1.00%. Such set interest rate will not be greater than any maximum rate required under any applicable state or federal law.

**D. Loan Repayments:**

Loans will be repaid to AXA Equitable in accordance with a repayment schedule. Loan repayments are to be remitted to AXA Equitable as of each Plan loan repayment date. Additional Plan loan repayments may be made at any time. The loan, including the full amount of interest due thereon, may, if the Plan so provides, be repaid in full at any time. Plan loan repayments will be applied by AXA Equitable to the Participant's Investment Options on a pro-rata basis, based on the current investment allocation on file. A suspension of Plan loan repayments is permitted for documented military and non-military leave.

**E. Loan Default:**

A Plan loan will be deemed in default if (i) the full amount of any loan repayment is not received by AXA Equitable by the third month of the calendar quarter following within 90 days of the applicable Plan loan repayment date, or (ii) the Plan terminates participation under this Contract, pursuant to subsection (b) of the Section "Termination Under this Contract", and the Employer fails to make arrangements for the assumption of the loan under a successor contract or funding arrangement. If a Plan loan is deemed in default as described in (i) in the preceding sentence, the Employer and Participant will be notified of the default and AXA Equitable will treat the loan principal as a withdrawal pursuant to the Section "Withdrawals", subject to any Withdrawal Charge that applies pursuant to the Section "Withdrawal Charges", if specified in the Application, and the Participant shall be responsible for any taxes due as a result of the "deemed" withdrawal.

## **PART VII ANNUITY BENEFITS AND REQUIRED MINIMUM DISTRIBUTIONS**

### **SECTION 7.01 ANNUITY BENEFIT**

Each Annuity Benefit under this Contract will be paid as a Life Annuity, unless another form offered by AXA Equitable or one of its affiliated or subsidiary companies is elected, subject to the terms of the Plan. The Life Annuity is a fixed annuity which provides monthly payments to the Participant beginning as of the Annuity Commencement Date and ending with the last payment due before the Participant's death.

### **SECTION 7.02 REPORT FOR ANNUITY BENEFIT**

The Employer or Employer's Designee will report to AXA Equitable each Participant or other person with respect to whom an Annuity Benefit is to be provided under this Contract if the amount to be applied to provide such Annuity Benefit is at least \$3,500. Any such report is to be made before the first payment under such Annuity Benefit. Any such report will be in the form prescribed by AXA Equitable and will include all pertinent facts and determinations requested by AXA Equitable. AXA Equitable will be fully protected in relying on the reports and other information furnished by the Employer or Employer's Designee and need not inquire as to the accuracy or completeness thereof.

### **SECTION 7.03 APPLICATION TO PROVIDE ANNUITY BENEFIT**

An application must be made in order to provide each Annuity Benefit. The amount applied to each such Benefit will be equal to the amount withdrawn from the Investment Options, less any applicable tax charge in accordance with the Section "Applicable Tax Charges" on annuity considerations; provided that the Employer may report, in accordance with the Section "Report for Annuity Benefit", that only a portion of the given amount is to be used for such Benefit.

If AXA Equitable has deducted charges for applicable tax from the Contributions being applied to provide an Annuity Benefit before they were allocated to the Investment Options pursuant to the Section "Contributions, Allocations", AXA Equitable will not again deduct charges from such Contributions for the same taxes. If however, taxes are later imposed upon AXA Equitable when such an application is made, AXA Equitable reserves the right to make an additional deduction for such taxes.

Application will be made on the basis of either (a) the Table of Guaranteed Annuity Payments included in Appendix A of this Contract, or (b) AXA Equitable's then-current individual annuity rates applicable at the time of application to funds which derive from sources outside AXA Equitable, whichever rates would provide a larger benefit with respect to the payee.

### **SECTION 7.04 CONDITIONS**

AXA Equitable will require proof of the age of any person on whose life an annuity form is based. AXA Equitable has the right to ask for proof acceptable to it that the person on whose life a benefit payment is based is alive when each payment is due. If an Annuity Benefit was based on information that is later found not to be correct, such Benefit will be adjusted on the basis of the correct information. The adjustment will be made in the amount of the Benefit payments, or any amount used to provide the Benefit, or any combination. Overpayments by AXA Equitable will be charged against future payments. Underpayments will be added to future payments. AXA Equitable's liability is limited to the correct information and the actual amounts used to provide the Benefits.

If AXA Equitable receives proof satisfactory to it that (a) a payee entitled to receive any payment under the terms of this Contract is physically or mentally incompetent to receive such payment or is a minor, (b) another person or an institution is then maintaining or has custody of such payee, and (c) no guardian, committee, or other representative of the estate of such payee has been appointed, AXA Equitable may make the payments to such other person or institution. AXA Equitable will have no further liability with respect to the payments so made.

If the amount to be applied hereunder is less than \$3,500 or would result in an initial monthly payment of less than \$20.00, AXA Equitable may pay the amount to the payee in a single sum instead of applying it under the annuity form elected.

#### **SECTION 7.05-REQUIRED MINIMUM DISTRIBUTIONS**

This Contract is subject to the "Required Minimum Distribution" ("RMD") rules of Sections 457 and 401(a)(9) of the Code, including the Treasury Regulations that apply. To the extent that any payment, benefit, or distribution options available to the Participant under this Contract conflict with the Code, the Code requirements prevail. Further, it is the responsibility of the Plan to implement the RMD for a Participant or beneficiary under the Plan. The Plan is responsible for determining and requesting RMD payments during the Participant's lifetime and if the Participant's entire interest under this Contract is not fully distributed during the Participant's lifetime, after the Participant's death, to the beneficiary designated under the Plan, all in accordance with the RMD rules.

#### **SECTION 7.06 CHANGES**

AXA Equitable reserves the right, upon 90 days advance notice to the Employer, to change at any time on and after the fifth anniversary of the Contract Date, at intervals of not less than five years, the actuarial basis used in the Tables of Guaranteed Annuity Payments; however, no such change will apply to any Annuity Benefit provided before the change.

## **PART VIII - ANNUITY ACCOUNT VALUES**

### **SECTION 8.01 PARTICIPANTS' ACCOUNTS**

AXA Equitable will maintain Participant-level accounts. The Employer will specify the Participant with respect to whom each Contribution is being remitted, the Source to which each Contribution relates, and the allocation by Source of such Contribution among the Investment Options. The terms of the Sections "Guaranteed Interest Option-Conditions", "Stable Value Fund-Conditions" and this Part will apply separately with respect to each Participant's Annuity Account Value.

### **SECTION 8.02 PARTICIPANT ACCOUNT WITHDRAWALS**

The amount to be paid for a withdrawal pursuant to the terms of the Section "Withdrawals", plus any Withdrawal Charge which applies pursuant to the Section "Withdrawal Charges", will be withdrawn on a pro-rata basis from the amounts held with respect to the Participant in the Investment Options, unless the Employer or Employer's Designee directs otherwise.

### **SECTION 8.03 PARTICIPANT ACCOUNT TRANSFERS**

The transfer rules described in the Section "Transfer Rules" will apply separately with respect to each Participant.

## **PART IX - CHARGES**

### **SECTION 9.01 WITHDRAWAL CHARGES**

A withdrawal or a termination payment made under Part V may be subject to a Withdrawal Charge as specified in the Application.

AXA Equitable reserves the right to reduce or waive the Withdrawal Charge in such circumstances as it determines. The Application will specify the circumstances, if any, by which a waiver will apply. In addition, the years of participation under a Prior Contract, if applicable, may be included for purposes of determining the Withdrawal Charge, if so specified in the Application.

The maximum Withdrawal Charge under this Contract will not exceed 6% of Annuity Account Value and will not exceed a period of five years.

Moreover, the Withdrawal Charge will be reduced if needed in order to comply with any state law that applies.

### **SECTION 9.02 ADMINISTRATIVE CHARGE**

If so specified in the Application, AXA Equitable will withdraw an Administrative Charge from the Annuity Account Value as of the last Business Day of either each calendar quarter or each Contract Year, whichever is specified in the Application.

AXA Equitable reserves the right to reduce or waive the Administrative Charge in such circumstances as it determines. The Application will specify the circumstances, if any, by which a waiver will apply.

The current Administrative Charge, if any, will be specified in the Application. The Administrative Charge will be prorated for the calendar quarter or Contract Year, whichever applies, in which the Contract Date occurs or in which the Annuity Account Value is withdrawn or applied to provide an Annuity Benefit.

The amount that AXA Equitable will withdraw as an Administrative Charge from the Annuity Account Value will in no event exceed \$65.00 on a Contract Year basis.

In lieu of withdrawal from the Annuity Account Value, the Employer may pay the amount of such Administrative Charge directly to AXA Equitable.

### **SECTION 9.03-TRANSFER, CHECK WRITING AND LOAN CHARGES**

AXA Equitable reserves the right to impose a charge with respect to any of the following:

- 1) establishment and administration of a Plan loan;
- 2) any transfer among Variable Investment Options (after the number of such transfers indicated in the Application);
- 3) Payments made under this Contract by check drawn on a bank located in the United States.

The amount of the charge, if any, will be set forth in the Application.

## **SECTION 9.04 ASSET CHARGE**

If so specified in the Application, AXA Equitable will withdraw, as of the last Business Day of each calendar quarter, from the amounts held in each Variable Investment Option with respect to the Plan an Asset Charge equal to one-fourth of the annual rate stated in the Application. The Transaction Date for the determination and deduction of the Asset Charge is the same. This charge will not exceed 2.00% annually.

## **SECTION 9.05 SEPARATE ACCOUNT CHARGE**

Assets in the Stable Value Fund will be subject to a daily Separate Account Charge if so specified in the Application. AXA Equitable reserves the right to increase this charge upon 90 days advance written notice, subject to any limit on the amount then required by the Securities and Exchange Commission.

## **SECTION 9.06 MARKET VALUE ADJUSTMENT**

A Market Value Adjustment may apply in the event of termination of coverage under this Contract with respect to the Plan pursuant to the terms of the Section "Termination Under this Contract", if such Section "Termination Under this Contract", applies as specified in the Application.

## **SECTION 9.07 CHANGES**

In addition to the right of AXA Equitable to reduce or waive charges as described in this Part IX, AXA Equitable reserves the right, upon 90 days advance written notice to the Employer, to increase the amount of any charge. The application of any increase in Withdrawal Charges described in the Section "Withdrawal Charges" will apply only to Contributions made after the date of the change. With respect to the Asset Charge described in the Section "Asset Charge", any such increase will be subject to any limit on the amount then required by the Securities and Exchange Commission.

## **SECTION 9.08 REDEMPTION FEE**

AXA Equitable will collect Redemption Fees on behalf of the underlying portfolios of the Variable Investment Options, in the amounts and in accordance with the rules established by each underlying portfolio. AXA Equitable will remit the Redemption Fee to the underlying portfolios as soon as practicable after collection and in compliance with any period an underlying portfolio has established.

The parties to this Contract agree that AXA Equitable shall have no responsibility for determining this fee and that this fee may be changed at any time by the Investment Manager of the underlying portfolio.

## **SECTION 9.09 APPLICABLE TAX CHARGES**

AXA Equitable reserves the right to deduct a charge that AXA Equitable determines to approximate certain taxes that may be imposed on AXA Equitable, including but not limited to, premium taxes that may apply in the Participant's state of residence. The tax charge will be deducted from amounts applied to an Annuity Benefit in accordance with Part VII, "Annuity Benefits and Required Minimum Distributions". If the tax is imposed at a time other than when amounts are applied to an Annuity Benefit, AXA Equitable reserves the right to deduct the charge from Contributions in the Section, "Contributions, Allocations and Discontinuance" or withdrawals in the Section, "Withdrawals, Death Benefits, and Termination".

## **SECTION 9.10 PLAN OPERATING EXPENSE**

If AXA Equitable is instructed by the Employer or the Employer's Designee to withdraw a Plan Operating Expense from a Participant's Annuity Account Value, AXA Equitable will withdraw the specified amount on the last Business Day of each calendar quarter, or at any other time to which AXA Equitable agrees, and remit the proceeds in accordance with instructions from the Employer or the Employer's Designee. Such instructions may be given by a Participant in the absence of instructions from the Employer or the Employer's Designee, in which event AXA Equitable will remit the proceeds to the Plan's duly authorized administrator. AXA Equitable shall have no responsibility for determining that this fee is necessary and proper under the terms of the Plan.

## **PART X - GENERAL PROVISIONS**

### **SECTION 10.01 CONTRACT**

This Contract constitutes the entire contract between the parties and will govern with respect the rights and obligations of AXA Equitable.

This Contract may not be modified, nor may any of AXA Equitable's rights or requirements be waived, except in writing and by an authorized officer of AXA Equitable. In addition to the rights of change reserved by AXA Equitable as provided in this Contract, this Contract may be changed by amendment or replacement without the consent of any other person provided that such change does not reduce any Annuity Benefit provided before such change and provided that no rights, privileges, or benefits under this Contract with respect to Contributions made hereunder prior to the effective date of such change may be adversely affected by an amendment to this Contract without the consent of the Employer.

### **SECTION 10.02 STATUTORY COMPLIANCE**

AXA Equitable reserves the right to amend this Contract without the consent of any other person in order to comply with applicable laws and regulations.

The benefits and values available under this Contract will not be less than the minimum benefits required by any applicable state law.

### **SECTION 10.03 DEFERMENT**

Payments by AXA Equitable pursuant to the terms of Part V will be made within seven days after the Transaction Date. However, payments or applications of proceeds from a Separate Account can be deferred for any period during which (1) the New York Stock Exchange is closed or trading is restricted, (2) sales of securities or determination of the fair value of the Account's assets is not reasonably practicable because of an emergency, or (3) the Securities and Exchange Commission, by order, permits AXA Equitable to defer payment in order to protect persons with interests in the Separate Account. AXA Equitable can defer payment or transfer of any portion of an Annuity Account Value in the Guaranteed Interest Option for up to six months while the Participant is living, subject to any required written approval from the Insurance Supervisory Official in the Employer's jurisdiction. AXA Equitable will provide the Employer with the specific date on which the transfer will be effective, the reason for the delay, and the value of the transfer as of the date AXA Equitable receives the request.

### **SECTION 10.04 NONTRANSFERABILITY, ASSIGNMENTS, NONFORFEITABILITY**

This Contract is intended to be nontransferable within the meaning of Section 401(g) of the Code.

Neither the Owner nor AXA Equitable may assign its rights or obligations hereunder without the other party's prior written consent, except that an assignment by AXA Equitable to a corporation in which it has a direct or indirect ownership interest shall not require such consent provided that AXA Equitable remains liable for the failure of that corporation to perform its obligations under this Contract.

No portion of a Participant's interest under this Contract or a Participant's rights under this Contract may be sold, assigned, pledged as collateral for a loan or be security for the performance of an obligation.

No amount payable under this Contract may be assigned, commuted, or encumbered by the payee. To the extent permitted by law, no such amount will in any way be subject to any legal process to subject the same to the payment of any claim against such payee. The foregoing will not apply to any assignment, transfer or attachment pursuant to a qualified domestic relations order as defined in section 414(p) of the Code.

A Participant's entire interest under this Contract is nonforfeitable.

It is impossible, prior to the satisfaction of all liabilities with respect to the Participants and beneficiaries under the Plan, for any part of the assets and income of this Contract to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their beneficiaries.

#### **SECTION 10.04A CONTRACT HOLDER'S RESPONSIBILITY**

The sole responsibility of the Contract Holder is to serve as party to this Contract. The Contract Holder will have no responsibility for the administration of the Plan or for Contributions or any payments or other distributions hereunder. If the Contract Holder is the trustee of a trust established pursuant to a trust agreement between AXA Equitable and the said trustee, AXA Equitable will deal with the Contract Holder in accordance with the terms and conditions of the trust agreement pursuant to which the Contract Holder agreed to act as such and in such manner as the Contract Holder and AXA Equitable agree, without the consent of any other person.

#### **SECTION 10.05-EMPLOYER'S RESPONSIBILITY**

The Employer will have responsibility for the administration of the Plan, Contributions, authorization of payments and other distributions hereunder. AXA Equitable will deal with the Employer in accordance with the terms and conditions of this Contract. AXA Equitable shall make no payment without written consent from the Employer, and AXA Equitable will be fully discharged of any liability therefore to the extent such payments are made pursuant to such direction from the Employer.

#### **SECTION 10.06-OWNERSHIP RIGHTS**

The Owner of this Contract (the Plan Trust or the Employer) will hold all the assets of the Plan invested in this Contract in trust for the exclusive benefit of the Participants and the Participants' beneficiaries under the Plan. This Contract is not subject to the claims of the general creditors of the Owner.

It is impossible, prior to the satisfaction of all liabilities with respect to the Participants and the Participants' beneficiaries under the Plan, for any part of the assets and income of this Contract to be used for, or diverted to, purposes other than for the exclusive benefit of the Participants and their beneficiaries under the Plan.

#### **SECTION 10.07 MANNER OF PAYMENT**

Any amount payable under this Contract will be paid to the Plan trustee or otherwise paid as may be agreed upon in writing between the Employer and AXA Equitable. Any payment by AXA Equitable pursuant to this Section will fully discharge AXA Equitable from all liability with respect to the amount paid.

AXA Equitable will pay all amounts payable under this Contract by check or, if so agreed upon by the Owner and AXA Equitable, by wire transfer. All amounts payable by the Owner will be paid by check payable to AXA Equitable or by any other method acceptable to AXA Equitable.

## **SECTION 10.08-REPORTS AND NOTICES**

With respect to each Participant, at least once each year until the Annuity Commencement Date, AXA Equitable will furnish a Participant with a report showing for each Investment Option, the Annuity Account Value for each Variable Investment Option.

The terms of this Contract which requires AXA Equitable to send a report or any written notice will be satisfied by AXA Equitable's mailing any such report or notice to the Employer or the Employer's Designee, or Participant's last known address as shown in AXA Equitable's records. Notifications of rules in effect and other matters of general applicability to this Contract may be included in the disclosure documents and any supplements as mailed to such address from time to time. The notices and reports may also be delivered by electronic means as agreed upon between AXA Equitable and the Employer or Participant.

All written notices sent to AXA Equitable will not be effective until received in good order on a Business Day at the Processing Office.

**APPENDIX A**  
**TABLE OF GUARANTEED ANNUITY PAYMENTS**

Amount of Annuity Benefit payable monthly on the fixed dollar Life Annuity form provided by an application of \$1,000.

<u>Age</u>	<u>Amount</u>
55	\$3.50
60	3.80
65	4.20
70	4.73

The amount of income provided under an Annuity Benefit payable on the Life Annuity form is based on 2.50% interest and the 1983 Individual Annuity Mortality Table "a" projected with Scale G, adjusted to a unisex basis, reflecting a 20% - 80% split of males and females at pivotal age 55.

Amounts required for ages not shown in the Table or for other annuity forms will be calculated by AXA Equitable on the same actuarial basis, except that rates for ages over 85 will equal the rates for age 85.





redefining / standards®

*fully executed  
agreement*

04/02/2015

Collier County Sheriff's Office  
Attn: Andrea Marsh  
3319 E. Tamiami Trail  
Naples, FL 34112

**RE: The Collier County Sheriff's Office 457(b)  
Plan ID Number [REDACTED]**

Dear Andrea:

Enclosed for your records are the following counter-signed documents:

- Group Annuity Application
- Service Recordkeeping Agreement
- Contract

Please keep these documents on file as they contain important information regarding compliance testing, required minimum distributions, and transaction processing.

If you have any questions regarding your account or the next step in the process, please contact your financial professional or me. I can be reached at 315-477-4303 or [Jessica.Battelle@axa.us.com](mailto:Jessica.Battelle@axa.us.com).

Sincerely,

Jessica Battelle  
Onboarding Specialist

Enclosures

**cc: James Reddington**



## Part B — Contract Charges Schedule

(Please refer to your Customized Fee Quote when completing this section.)

### Asset Charge (Contract Section 9.04)

The Asset Charge for the Contract's first year is .40 %

The Asset Charge is a Quarterly Asset Charge equal to one-fourth of the annual rate shown above. It accrues daily as a percentage of the annual rate shown above equal to the Quarterly Asset Charge divided by the number of days in the calendar quarter and is assessed on the total amount in the Variable Investment Options with respect to the Plan as of each day after any amounts are allocated to or withdrawn from the Variable Investment Options as of such day. The aggregate accrued daily charges are withdrawn as of the end of the last Business Day of each calendar quarter. If the last day of a calendar quarter is not a Business Day, then the daily charges for the remaining days in the calendar quarter will be assessed on the total amount in the Variable Investment Options with respect to the Plan as of the end of the last Business Day in the calendar quarter. The Asset Charge is set annually based on total Plan assets in the Contract and average account value.

### Withdrawal Charge Schedule (Contract Section 9.01)

I, the Employer, elect the 0 year Withdrawal Charge Schedule. (Please complete the schedule below.)

Contract Year	CWC%
1	
2	
3	
4	
5	
After 5	

### Administrative Charges (Contract Section 9.02)

\$0 per Participant for the first year (charged on a quarterly basis). Each year this charge is calculated based on the Plan's average account value and total Plan assets on the anniversary of the first contribution.

This charge will be deducted pro rata from Participant Investment Options unless this box is checked to have the charge invoiced to the Employer.

### Plan Operating Expenses (Contract Section 9.10)

If a Designated Plan Administrator is indicated in the Recordkeeping Service Agreement, the Plan Administrator's fee is to be deducted from each Participant's Annuity Account Value:  Yes  No

If yes, indicate amount for each Participant: \$ \_\_\_\_\_

Frequency:  Annually  Quarterly  Monthly

1. Does the Plan have an existing group annuity contract?  Yes  No
2. If yes, will any existing group annuity contract be (or has it been) surrendered, withdrawn from, loaned against, changed or otherwise reduced in value, or replaced in connection with this transaction assuming the Contract applied for will be issued?  Yes  No

If Yes to question number 2, complete the following:

Company	Type of Plan	Year Issued	Contract Number
Company	Type of Plan	Year Issued	Contract Number
Company	Type of Plan	Year Issued	Contract Number

### Signatures

*Application and Agreement:* By signature on page 4 of duly authorized person(s), the Employer and the trustee(s) of the Participating Trust, if applicable, hereby:

- A. acknowledge having received and read this Application, the Employer Disclosure Brochure (including appendices), and the Recordkeeping Service Agreement.
- B. acknowledge and understand that I am entering into a separate agreement with AXA Equitable for basic service recordkeeping services.
- C. acknowledge, understand and agree to the various levels of fees and charges under the Contract as described in the Contract Charges Schedule of this Application, the Employer Disclosure Brochure (including appendices), and the Recordkeeping Service Agreement, if applicable.
- D. apply for participation in the Contract as funding vehicle for the Plan.

**Signatures (continued)**

- E. acknowledge and understand that no Registered Representative of AXA Advisors or of a Broker Dealer with which AXA Advisors or AXA Distributors has entered into a selling agreement, has authority to make or modify any Contract or agreement on AXA Equitable's behalf, or to waive or alter any of AXA Equitable's rights or requirements;
- F. understand that a Participant's Annuity Account Value attributable to allocations to the Variable Investment Options (including the Stable Value Fund) may increase or decrease and are not guaranteed as to dollar amount; and
- G. understand that with respect to the Recordkeeping Service Agreement, the fees for the services provided therem are either billed to the Employer and/or deducted from the Participant's Annuity Account Value as permitted under the terms of the Plan. By signing on page 4 the Employer hereby authorizes AXA Equitable to make such deductions from the Participant's Annuity Account Value by redeeming sufficient amounts in the accounts (proratably across the Variable Investment Options in a particular Participant's Annuity Account Value and proratably across all Participants' accounts) and to remit such amounts to AXA Equitable. The Employer further represents that the Plan permits such deductions and that it has authority under the Plan to give such authorization, and agrees to hold AXA Equitable, its representatives, brokers, employees and affiliates harmless with respect to any consequences that may follow as a result of such deductions.

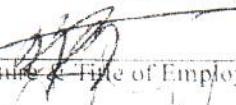
**In Florida:** Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

You may want to contact your legal or tax advisor for additional guidance before completing and signing this Application. A copy of the Application should be retained in your files and the original should be given to the Registered Representative for forwarding to AXA Equitable Life Insurance Company ("AXA Equitable"). Your participation in the Contract as funding vehicle for the Plan will become effective only upon acceptance, by signature on page 4, of a duly authorized signatory on AXA Equitable's behalf. At such time, a copy of the Contract will be sent to you, and its terms and conditions (including those in this Application) will govern the administration of the Contract and your participation in it. Initial contributions will be accepted by AXA Equitable only after the installation documents have been approved by AXA Equitable.

For Employer:

Collier County Sheriff's Office  
Print Name of Employer or Officer

City Naples State FL

  
Signature & Title of Employer or Officer

3-13-15  
Date

  
Signature of Plan Contact listed on Page 1 (if authorized to sign on behalf of the Employer)

3/17/15  
Date

For Employer's Designee or Trustee: (if applicable)

Print Name of Designee or Trustee

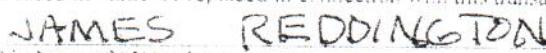
City \_\_\_\_\_ State \_\_\_\_\_

Signature of Designee or Trustee

Date

For AXA Advisors, LLC or AXA Distributors, LLC:

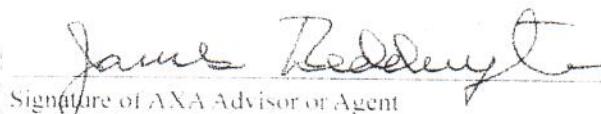
Do you have reason to believe that any existing group annuity contract has been or will be surrendered, withdrawn from, loaned against, changed or otherwise reduced in value, or replaced in connection with this transaction assuming the Contract applied for will be issued?  Yes  No

  
Print Name of AXA Advisor or Agent

City FT MYERS State FL

11572732

AXA Advisor or Agent FL license number

  
Signature of AXA Advisor or Agent

3-18-15

Date

Accepted for AXA Equitable (not AXA Advisors, LLC or AXA Distributors, LLC):

Print Name of AXA Equitable Officer

  
Signature of AXA Equitable Officer

**Steve D'Eredita  
Vice President**

EFFECTIVE DATE 3/27/15

CONTRACT NO. 691246

Initial Guaranteed Interest Rate. To be completed by AXA Equitable.

2.5%

% Rate in effect is as of the date of acceptance of the Contract by AXA Equitable

## Part C — Contract Terms

**I. Investment Options — (Contract-Part II)** The Investment Options, elected on the Investment Options Attachment of this Application, as described in the Contract are hereby elected as Investment Options to be available under the Contract for the Plan. **No Investment Option under the Contract will be available with respect to the Plan unless checked in the Attachment or later added by a change in your election.** Any such change must be made in keeping with AXA Equitable's rules and on AXA Equitable's form received in its Processing Office. AXA Equitable reserves the right not to accept an election to add an Investment Option after this initial election. Rules regarding the election of a maximum number of Investment Options are described in the Investment Options Attachment.

**II. Guaranteed Interest Rate(s) — (Contract Section 2.02)** If the Guaranteed Interest Option is elected, the initial Guaranteed Interest Rate(s) is shown on the signature page. A rate of 1.00% applies as the Minimum Guaranteed Rate under the Contract as described in Section 1.18, "Minimum Guaranteed Rate".

**III. Minimum Contributions — (Contract Section 3.01)** Not Applicable

**IV. Transfer Rules — (Contract Section 4.02)** Transfer requests must be in writing and delivered by U.S. mail to our Processing Office unless AXA Equitable accepts an alternative form of communication (such as internet, fax or automated telephone). The use of alternative forms of communication is subject to AXA Equitable's rules then in effect for each such service. AXA Equitable may provide information about our rules and the use of communications services in the contract disclosure document, or other notifications, as mailed to the Participant's and Employer's last known address in our records from time to time. Any alternative form of communication that AXA Equitable makes available may be changed or discontinued at any time. Communication services may be restricted or denied if AXA Equitable determines that the Participant or Employer is using such services for market timing or other trading strategies that may disrupt operation of an Investment Fund or have a detrimental effect on the unit value of any Investment Option.

AXA Equitable reserves the right to:

- (a) refuse any transfer request submitted by an individual or firm engaged in market timing strategies. AXA Equitable will implement any market timing policy of an underlying portfolio;
- (b) defer transfers for up to six months, as described in Section 10.03;
- (c) revise the transfer rules described herein; and
- (d) charge for any transfer after the first four such transfers on behalf of a Participant made in any calendar year, as described in Section 9.03.

Any action taken pursuant to subsection (c) or (d) above will be made by AXA Equitable upon 90 days advance notice to the Employer.

**If the Guaranteed Interest Option is elected.** the provisions of Section 4.02 of the Contract shall govern except that the maximum percentage of the amount in the Guaranteed Interest Option which may be transferred, as described in Section 4.02 of the Contract, is the greater of 25% or the total amount transferred during the previous twelve months.

**V. Discontinuance of Contributions — (Contract Section 3.02) and Termination Under the Contract (Contract Section 5.03)**

**If the Guaranteed Interest Option is elected.** the terms of Section 5.03 apply. Pursuant to Section 5.03, AXA Equitable reserves the right to pay such withdrawal in a single sum in lieu of annual installments, if the aggregate amount held in the Guaranteed Interest Option with respect to the Plan is less than \$1,000,000, or such other amount that AXA Equitable may determine and communicate to the Employer.

**VI. Withdrawal Charges — (Contract Section 9.01) and Termination Under the Contract (Section 5.03)** A withdrawal or termination payment made under Part V of the Contract may be subject to a Withdrawal Charge. The Withdrawal Charge, if applicable, is equal to the amount shown in the **Contract Charges Schedule**. The Charges will be waived as described in item X below.

**VII. Administrative Charge — (Contract Section 9.02)** As of the last business day of each calendar quarter, AXA Equitable will withdraw (or the Employer will be billed) an Administrative Charge from the Annuity Account Value as shown in the **Contract Charges Schedule**. AXA Equitable reserves the right to deduct this charge from each Participant's Annuity Account Value if it is not paid by the Employer. This fee must be deducted from each Participant's Annuity Account Value if the Plan has less than ten (10) Participants.

**VIII. Asset Based Charge — (Contract Section 9.04)** AXA Equitable will withdraw, as of the last Business Day of each calendar quarter an Asset Charge equal to one-fourth of the annual rate stated in this Application, from the amount held in each Variable Investment Option as shown in the **Contract Charges Schedule**. The Asset Charge annual rate is subject to change (1) on an annual basis dependent upon total Plan assets in the Contract and average account value and/or (2) in the event the Employer elects to change the Investment Options line-up available to Plan participants. The Asset Charge annual rate may also be increased in accordance with Section 9.07 of the Contract.

**IX. Separate Account Charge (Stable Value Fund, if applicable).** Assets of Separate Account No. 47 will be subject to a daily asset charge. The annual rate is comprised of a separate account charge of 1.25% and an investment management and accounting fee of 0.40%. The Separate Account Charge may be increased in accordance with the terms of the Stable Value Fund in accordance with Section 2.03 of the Contract.

**X. Waiver of Withdrawal Charge — (Contract Section 9.01)** Notwithstanding anything in this Application and the Contract to the contrary, no Withdrawal Charge or Market Value Adjustment will be applied in connection with the following:

- (a) Amounts paid in annual installments pursuant to Section 5.03;
- (b) Amounts withdrawn or applied with respect to a Participant for purposes of a "Benefit Distribution" (the definition contained in Section 5.03 applies for this purpose as well) or for purposes of compliance with any qualified domestic relations order as defined in Section 414(p) of the Code;
- (c) Withdrawals of amounts which are "excess deferrals" as such term is defined in Section 402(g)(2) of the Code, including the income thereon, and less any loss allocable thereto, provided the withdrawal is made no later than April 15 following the calendar year in which such excess deferrals were made;
- (d) Separation from Service

The amounts described in said items (c) through (d) will be as determined by the Employer and reported to AXA Equitable.

**XI. Market Value Adjustment — (Contract Section 9.06)** If the **Guaranteed Interest Option** is elected, the Market Value Adjustment is applicable as described in the Contract.



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Please refer to the latest version of your Plan Document when completing this Agreement. Any sections not completed properly may cause a delay in processing. If this is a takeover plan, you MUST also complete the attached Exhibit – Takeover.

### Retirement Gateway® 457(b) Recordkeeping Service Agreement

This Recordkeeping Service Agreement ("Agreement") is made by and between AXA Equitable Life Insurance Company ("AXA Equitable") and Collier County Sheriff, the Employer who sponsors Collier County Sheriff's Office, as referenced in the Group Annuity Application (Application).

#### 457(b)

This Agreement, which provides for services to be rendered in connection with and supplementary to the contract issued to the Owner by AXA Equitable, shall be effective on the effective date of the Contract and shall terminate on the effective date of the termination of the Contract.

As used in this Agreement the words "You", "Your" and "I" shall mean the Employer and/or Plan Administrator, and "We," "Our" and "Us" shall mean AXA Equitable.

#### I. PROVIDER INFORMATION

Please indicate below whether AXA Equitable will be the exclusive provider or whether you have multiple providers of the funding vehicle(s) for your 457(b) plan.

- AXA Equitable will be the exclusive provider  
 There will be multiple providers

N/A

#### II. THIRD PARTY ADMINISTRATOR (TPA) INFORMATION

Complete the information below to designate any person or entity to whom we are authorized to make available plan-level and Participant-account level information and, in certain cases, certain web access privileges to such persons or entities to enable them to provide any necessary services to you.

You are responsible for requiring that these designated parties ensure all information made available to them is safe guarded and protected in accordance with any legal standards. We are not responsible for any breach of responsibilities by these parties. If employee authorizations are required before any plan-level and Participant-account-level information may be provided to the service provider, you are responsible for obtaining them.

A. TPA Company Name: \_\_\_\_\_

B. TPA Taxpayer Identification Number: \_\_\_\_\_

C. Regular Mail Address: \_\_\_\_\_

Address	City	State	Zip
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D. Overnight Mail Address: \_\_\_\_\_

Address	City	State	Zip
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E. Contact Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

F. Does TPA have an existing AXA Equitable Internet User ID and Password?

Yes \_\_\_\_\_ (Provide User ID)  No

G. Is the TPA authorized to provide instructions or directions to AXA Equitable?

Yes  No

### III. EMPLOYER PAYROLL INFORMATION

A. Contribution Frequency  Weekly  Bi-weekly  Semi-monthly  Monthly  Other \_\_\_\_\_

B. Next payroll date 3/24/15 MM DD YY

C. Payrolls are processed  In house  External Vendor

D. Current Payroll Provider N/A

E. Regular Mail Address 3319 E. Tamiami Trail, Naples, FL 34112

Address	City	State	Zip
<u>3319 E. Tamiami Trail, Naples, FL 34112</u>			

F. Overnight Mail Address Same

Address	City	State	Zip

G. Payroll Andrea Marsh

Phone (239) 252-0841

Fax (239) 252-0980

Email address andrea.marsh@colliersheriff.org

### IV. BANKING AUTHORIZATIONS FOR AUTOMATED CLEARING HOUSE (ACH) TRANSACTIONS

Indicate if you want to authorize AXA Equitable to process contributions under your contract by automated payment from the bank account.  Yes  No

If Yes, please indicate the bank account type:  Checking account  Savings account

Attach a pre-printed check or a letter from the bank with the same information provided on the check.

A.B.A Routing Numbers Example



N/A

### V. SAVE 1-2-3<sup>SM</sup> PROGRAM (COMPLETE ONLY IF AXA EQUITABLE WILL BE THE EXCLUSIVE PROVIDER)

A. Plan Year:  Calendar Year or  Other Plan year-end \_\_\_\_\_ MM YY

B. Automatic Enrollment (This feature must be contained in the Plan Document)

This feature automatically enrolls employees in the Plan. Automatic Investment must be selected with this feature. Census and payroll information must be submitted via AXA Equitable's web based tool.

Do you want to elect the Automatic Enrollment feature?  Yes  No

If yes the designated deferral percentage: \_\_\_\_\_%

**C. Automatic Investment**

This feature allows you to choose the Investment Option into which contributions are to be allocated if the Participant makes no allocation selection. Automatic Investment may be a single Investment Option or a mix of the Investment Options available under the Plan.

Do you elect the Automatic Investment feature?  Yes  No

By checking Yes, you are directing AXA Equitable to invest contributions into the Participant Default Investment selected below. If you check No, contributions for Participants who do not make an investment election will be invested in the general Default Option under the Plan. Please refer to the Employer Disclosure Brochure for more information regarding the general Default Option. It is your fiduciary responsibility to determine how Participant contributions should be invested if no investment elections are made by the Participant.

**Automatic Default Investment Option (Select One):**

**Target Date Funds**

American Century One Choice Portfolios      or       T. Rowe Price Retirement Funds

Contributions will be invested into the appropriate Target Date Fund based on the Participant's Date of Birth and assumed Retirement Age (AXA Equitable defaults to age 65); if different you must provide us with your Plan's Retirement Age \_\_\_\_\_.

**Custom Model/Single Investment Option**

List Investment Option(s) and percentages (must equal 100%)

\_\_\_\_\_%  
\_\_\_\_\_%  
\_\_\_\_\_%  
\_\_\_\_\_%

**D. Automatic Increase (This feature must be contained in your Plan Document)**

E.

This feature automatically increases the Participant's deferral percentage annually based on the increase and date provided below

1. Do you want to elect the Automatic Increase feature?  Yes  
 No
2. Automatic deferral percentage increase \_\_\_\_\_%
3. Automatic deferral percentage increase date \_\_\_\_\_ MM DD
4. Maximum deferral percentage cutoff \_\_\_\_\_%

**VI. GENERAL INFORMATION**

- A. Does your Plan Document permit catch up contributions?  Yes  No
- B. Does your Plan Document permit special section 457 catch-up contributions?  Yes  No
- C. Does your Plan Document permit in-plan Roth conversions? (Please note you must also indicate in the Application that *Employee Salary Deferral - Designated Roth contributions are available*)  
 Yes  No
- D. Please indicate that you have a Plan document and have already signed and executed an Adoption Agreement for that Plan Document.  Yes  No

If you answered No, explain \_\_\_\_\_

E. Please select how you would like Plan Participants to remit loan repayments (Please note that this selection cannot be changed once it is implemented):

- ACH deduction on a monthly basis from an account the Participant indicates. The Amortization Schedule provides information on the deductions for the repayment of the loan.
- Payroll deduction. The Amortization Schedule provides information to set up payroll deductions for the repayment of the loan. A copy of the Amortization Schedule should be provided to your payroll vendor.

F. Please indicate if you authorize AXA Equitable to accept Participant beneficiary designations for the vested interest under this Contract as part of the Plan.

Yes  No

#### STATEMENTS

##### Confirmation Notices:

As our client, we are required to give you Plan Confirmation Notices that detail your Plan's daily activity after certain financial transactions are made within your Plan. We will provide you with this information in paper format via U.S. Mail. If you elect not to receive them via U.S. Mail, you may elect to receive such statements and monitor daily activity via the Employer website.

I elect not to receive Plan Confirmation Notices via U.S. Mail.

##### Participant Statements:

Quarterly statements are available on the Participant website no later than 15 days after quarter end. A Participant can opt out of electronic statements and back into paper statements either by logging onto the Participant website and updating the electronic consent information or by calling a Customer Service Representative at 800-528-0204, option 1.

N/A

#### VII. INVESTMENT SERVICES AGREEMENT

##### INVESTMENT SERVICES

I elect the following investment services to be provided by Wilshire Associates Incorporated (Wilshire):

- Core Guidance<sup>SM</sup>  
 Profile 1 Automatic Execution  Yes  No  
 Profile 2 Automatic Execution  Yes  No  
 Select List
- Premier Management<sup>SM</sup>
- Decline the investment services

*Note: The investment service is provided by Wilshire Associates. The agreement to adopt this service is a separate agreement between you and Wilshire. You must also sign the Wilshire agreement to adopt this service.*

## VIII. TAKEOVER

Is this a takeover plan?  Yes  No If you checked "Yes", please complete the attached Exhibit A.

## IX. CHARGES AND FEES

You agree to pay us all invoiced amounts in full within thirty (30) days after the date of the invoice. In the event that you dispute the amount due for any invoice, you shall notify us promptly of the amount being disputed and the nature of the dispute. You agree not to delay payment of any portion of the amount that is not in dispute. We reserve the right to change the recordkeeping fees under this Agreement upon ninety (90) days prior written notice to you.

### ADDITIONAL CHARGES AND FEES

The following charges and fees apply to additional features that may be elected by you. All fees shall be paid by you, other than the Loan Origination Fee, which will be deducted on a pro-rata basis from all Investment Options, including the Guaranteed Interest Option from Participants' Annuity Account Values.

If applicable, the Employer further represents that such deduction is permissible under the terms of the Plan and further agrees to hold us, our agents, employees and affiliates harmless with respect to any consequences that may follow as a result of such deductions.

Annual fees are calculated in arrears and collected quarterly. Fees will be calculated on the last Business Day of the quarter occurring after you have entered into a Recordkeeping Service Agreement with us. Fee deductions from a Participant's Annuity Account Value will cause a reduction in Units and are charged quarterly. These reductions in Units are processed pro rata across all Investment Options and all contribution sources.

To the extent that any fees described in this Section X remain unpaid for more than 90 days after the due date, we will deem such failure to pay the fees to be your authorization and direction to automatically deduct such fee as a Plan Operating Expense from Participants' Annuity Account Values, if the Plan provides for such deductions. Charges and fees shall be deducted pro rata from each Participant's Annuity Account Value.

Service	Fee
Loan Origination	\$125 per loan
Full Plan Transfer to Another Service Provider <small>(This fee is assessed when the Employer requests that all participant accounts under the contract be transferred to another provider. If the Plan has over \$1M in 457(b) plan assets with AXA and has been with AXA for more than 3 contract years, AXA will waive this fee.)</small>	\$500
Plan Termination Processing <small>(This fee is assessed when the Employer informs AXA that the plan will terminate and all funds need to be disbursed to active plan participants along with the proper tax reporting information.)</small>	\$1,000

## X. SERVICE RECORDKEEPING PROGRAM

We will provide the following services under this Agreement, the charges and fees for these services are part of the Contract. The charges and fees for any additional services elected by you are listed in Section X.

### A. ADMINISTRATION MANUAL

We shall furnish you with an administration manual and forms needed for the administration of your Plan. We will update the manual for any changes in the law, regulations, notices, and changes in our procedures. The manual and any updates can be found in your Plan Admin section via [www.ana.com](http://www.ana.com).

## **B. ENROLLMENT FORMS**

You authorize and direct us to accept and process any Enrollment Form(s) received by us in Good Order without requiring your signature. Good Order shall be found where all information we require to accept and process an enrollment form is complete and clear. We shall provide Internet access to such forms for use in enrolling employees as Participants in your Plan, as well as answer any questions that employees may have when enrolling. Participant data **must** be entered via [www.Exco.com](http://www.Exco.com).

## **C. RECORDKEEPING**

- (1) Recordkeeping of contributions made on behalf of Participants in your Plan
- (2) Access to Internet services as agreed upon between you and us, up-to-date information on Participant accounts, transfer among Investment Options and modify future investment allocations. These functions can be done using the Internet and/or a toll-free voice response unit (VRL).

Internet access becomes available to Participants after their census data has been established on Employer Plan Admin. Participants will then be able to enroll on-line by using the certificate number mailed to them along with the other required information via [www.Exco.com](http://www.Exco.com). They can then choose their initial investment selections/allocations. After the first contributions and/or external transfers have been allocated to Participant's accounts, they will be able to use Online Account Access to manage their retirement accounts.
- (3) Access to our Participant website and services as agreed to between you and us:
  - account balance;
  - daily unit value and interest rates;
  - transfer among Investment Options;
  - general information on loans;
  - financial updates (allows Participants to make changes only to Participant-directed investment accounts); and
- (4) Access to our Employer website and services as agreed to between you and us. It offers you access to information on:
  - Investment Options;
  - Plan-level features; and
  - Individual Participant accounts.

We will not be responsible to the Plan, the Trustee(s), you or Participants for any expense or investment loss resulting from the use of our website.

We will make Plan level account information available to any TPA and/or financial consultant/broker of record to enable them to provide necessary Plan and Contract services, provided you have authorized us to make such information available.

Website access can be removed from the Contract's Participants at any time by giving written notice to us.

## **D. REPORTS**

- (1) **Retirement Account Updates:** The Participant will receive on a calendar year basis, at no additional charge, a Quarterly Statement of Retirement Account Update, which summarizes the Participant's financial activities that have transpired during the period. These statements will only be available on the website unless the Participant elects to receive them in paper format. You can request that we provide the Participant with a complete listing of the Participant's financial activities that have transpired during the period. These detailed Participant statements are available at an additional fee.
- (2) **Confirmation Notice:** We will provide a Confirmation Notice to you and Participants after certain transactions (e.g., transfers and address changes). Withdrawals from a Participant's Annuity Account Value will be confirmed on the check stub received as a result of the distribution.

- (3) **Plan Statement of Account:** We will provide a Plan Statement of Account quarterly on a Plan Year basis that summarizes the financial activities and fourth quarter cumulative financial information for all Plan Participants by Investment Option.
- (4) **Disclosure Sheets and Performance Reports:** Updated Disclosure Sheets and performance reports of each Investment Option selected by you are available on our website.

#### **E. CONTRIBUTIONS AND TRANSFERS**

Unless we have agreed to other arrangements, you must remit all contributions, and Participant transfers between Investment Options via our website. If you and we agree to remittances in a paper format, there will be a charge to you.

#### **F. PROCESSING BENEFIT DISTRIBUTIONS**

- (1) Subject to the terms of the Plan, you may authorize and direct us to accept Participant beneficiary designations for the vested interest under this Contract as part of the Plan as indicated below. A Participant may name one or more persons to be primary Beneficiary and one or more persons to be successor Beneficiary if the primary Beneficiary dies before the Participant.

A Participant may change the Beneficiary during his her lifetime and while coverage of the Participant under the Contract is in force. Any such change must be made in writing in a form acceptable to us or the Plan. A change will take effect as of the date the written form is executed, whether or not the Participant is living on the date of receipt at the Processing Office. We will not be liable as to any payments made or actions taken before receipt of any such change at the Processing Office.

- (2) If a Participant dies, retires or terminates employment, upon notification by and based on information provided by you to us, we will, as applicable:
  - provide, upon request, quotations of alternative forms of benefits available under your Plan;
  - furnish the required written explanation of a distribution's eligibility for rollover treatment, mandatory withholdings and possible tax treatment as per Section 402(f) of the Code;
  - withhold the necessary amounts required by law and remit such amounts withheld directly to the Internal Revenue Service;
  - issue a check directly to the order of the Participant (or beneficiary in the case of death), or to the trustee(s) of another qualified plan or such other eligible retirement plan to whom the distribution may be directly rolled over by the Participant (or the beneficiary in the case of death); and
  - prepare the necessary tax reporting and transmittal forms (e.g., Form 1099-R) and forward directly the required copies to the Internal Revenue Service and to the Participant or beneficiary, whichever is applicable, for the amounts distributed.
- (3) If your Plan permits withdrawals for unforeseeable emergencies, you or your designee is responsible for determining whether there is an unforeseeable emergency and if the requested amount is appropriate. You must request a withdrawal and we will make the check payable to the Participant and mail it directly to the Participant.
- (4) In the case where a Participant makes a withdrawal request by submitting the proper form to us in Good Order and represents that such withdrawal is a lifetime minimum distribution pursuant to Sections 457 and 401(a)(9) of the Code, you authorize and direct us to:
  - process the withdrawal where the Participant's request is determined by us to be in Good Order. Good Order shall be found where all information we require to accept and process the withdrawal request is complete and clear;
  - release a Notice of Income Tax Withholding and process the completed withholding form submitted by the Participant;
  - issue a check to the order of the Participant and mail the check directly to the Participant; and
  - prepare the necessary tax reporting and transmittal forms (e.g., Forms 1099-R) and forward the required copies to the Internal Revenue Service and to the Participant for the amount distributed.

Otherwise, you or your designee is responsible for implementing lifetime required minimum distributions by telling us how much to withdraw. We will make the check payable to the Participant and mail it directly to the Participant.

#### **G. PROCESSING QUALIFIED DOMESTIC RELATIONS ORDERS**

- (1) We will provide Annuity Account Value information to assist you in reviewing Qualified Domestic Relations Orders.
- (2) Based on your request and instructions, we will distribute or set-up a separate account for the alternate payee in the amount specified in the Qualified Domestic Relations Order.
- (3) Based upon your or your designee's direction, if a distribution has to be made, we will in accordance with your or your designee's instructions:
  - furnish to the alternate payee the required written explanation of a distribution's eligibility for rollover treatment, mandatory withholding and possible tax treatment as per Section 402(f) of the Code;
  - withhold the necessary amounts required by law and whatever the alternate payee voluntarily elects, and remit such amounts withheld to the Internal Revenue Service;
  - issue a check to the order of the alternate payee, or if the alternate payee is a spouse or a former spouse and so directs, roll over the distribution to an eligible retirement plan that will accept the funds; and
  - prepare the necessary tax reporting and transmittal forms (e.g., Form 1099-R) and forward the required copies to the Internal Revenue Service and to the alternate payee for the amounts distributed.

#### **H. PROCESSING LOANS**

- (1) We will provide the Annuity Account Value information to assist you or your designee in requesting Participant loans.
- (2) The Loan Request Form is available through the Employer Plan Administration Center via the Plan Sponsor website in the Custom Forms section.
- (3) You or your designee must complete and sign the applicable sections of the Loan Request Form, which includes approving the loan amount and loan interest rate. If a rate is not provided, AXA will process the loan with a loan interest rate of Prime + 1% as published in the Wall Street Journal. The loan amount should take into account all applicable loans and account balances for the Participant under all of your plans and all funding vehicles under the Plan. You or your designee must sign the loan request form and obtain the Participant signature on the form. The Loan Request form can be faxed to our Processing Office.
- (4) Based on you or your designee's instructions, we will withdraw the amount requested for the Participant loan, subject to our \$1,000 minimum loan amount. Our maximum loan amount is 50% of the Participant's Annuity Account Value under the Contract or the amount permissible under the Plan and Code, if less.
- (5) The loan check will be made payable to the Participant and mailed to the Participant.
- (6) A Promissory Note and Truth in Lending Disclosure are printed on the back of the check stub. By signing the check, the Participant agrees to the terms of the loan.
- (7) The Amortization Schedule (based on the loan amount, interest rate and loan payment period specified in the Loan Request Form) is available through "Standardized Reporting" on the website within 24 hours after the loan is processed.
- (8) AXA Equitable will make the Amortization Schedule available to the Participant through the Participant website.

## XL. OTHER PROVISIONS

### A. NOTICE

All notices, statements or requests provided for hereunder shall be deemed to have been duly given when delivered by hand to an officer of the other party, or when deposited with the U.S. Postal Service as first class certified or registered mail, postage prepaid, overnight courier service, facsimile, addressed as follows:

If to AXA Equitable: AXA Equitable Life Insurance Company  
457(b) Processing  
Office 30 Dan Road  
Canton, MA 02021  
Attention: AXA Equitable Plan Administration Team

If to the Employer, to:

(Only complete if the address is different than what is provided on the Group Annuity Application)

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Attention: \_\_\_\_\_

Or to such other persons or places as each party from time to time designate by written notice sent as aforesaid.

### B. ALLOCATION OF PLAN ASSETS

You agree that you will deliver directions to us or our designee regarding the investment of Plan assets for which (i) no Employer directions are received; (ii) where implementation of such Employer directions are administratively unfeasible; or (iii) where Employer directions are ambiguous or cannot be reasonably understood. You should retain any original source documents supporting financial transactions sent to us or our designee via facsimile.

### C. SUBCONTRACTING AND ASSIGNMENT

This Agreement, its benefits and obligations, shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may not be assigned or otherwise transferred by either party without the consent of the other party, which consent shall not be unreasonably withheld. However, we may, in our sole discretion, subcontract the obligations described in this Agreement to an affiliate, parent, subsidiary or third party vendor designated by us. In any such event, we will continue to be liable for the performance of our duties hereunder.

### D. AMENDMENT OF AGREEMENT

No amendment of any provision of this agreement shall be effective unless the same shall be in writing and signed by both parties, or as otherwise stated in this Agreement.

### E. ENTIRE AGREEMENT

This Agreement, together with such amendments as may from time to time be executed in writing by the parties, and any other documents and or instruments referred to, constitutes the entire Agreement and understanding between the parties in respect of the transactions contemplated hereby and supersedes all prior agreements, arrangements and understandings relating to the subject matter hereof.

### F. GOVERNING LAW

This Agreement shall be construed according to, and the rights and liabilities of the parties hereto by, the laws of the State of New York, excluding that body of law applicable to choice of law.

### G. SURVIVAL OF OBLIGATIONS

The representations warranties and indemnification under this Agreement are intended to and shall continue after and survive expiration, termination and cancellation of this Agreement extended.

#### **H. ACTION TO ENFORCE**

Any controversy or claim arising out of this Agreement ("Dispute") that has not been resolved within thirty (30) days of notice of such Dispute (or such longer period as the Parties may agree in writing) will be settled by arbitration. Either Party may initiate arbitration by filing a claim with the American Arbitration Association ("AAA") in accordance with the procedures in this Paragraph and the Commercial Arbitration Rules of the AAA ("AAA Rules"). The arbitration will be conducted before a panel of three (3) arbitrators, regardless of the size of the Dispute. The AAA shall provide the Parties with a list of not less than ten (10) arbitrators, and each Party may strike as many names as they choose and shall rank the others in descending order of preference. The AAA shall combine the two lists and contact the arbitrators in descending order of combined preference for their availability. If the Parties agree on less than three arbitrators or less than three are available, the remainder will be chosen in accordance with the AAA Rules. Any issue concerning the extent to which any Dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of these procedures, including any contention that all or part of these procedures are invalid or unenforceable, shall be governed by the Federal Arbitration Act and resolved by the arbitrators. No potential arbitrator may serve on the panel unless he or she has agreed in writing to abide and be bound by the procedures in this Paragraph.

The arbitrators may not award non-monetary, injunctive or other equitable relief of any sort; however such relief shall be available to the Parties at any time where appropriate from a court of competent jurisdiction. The arbitrators shall have no power to award (i) damages inconsistent with this Agreement, or (ii) punitive damages or any other damages not measured by the prevailing Party's actual damages. Subject to the foregoing, in no event, even if any other portion of these provisions is held to be invalid or unenforceable, shall the arbitrators have power to make an award or impose a remedy that could not be made or imposed by a court sitting in the jurisdiction agreed to by the Parties in this Agreement and deciding the matter in accordance with the law agreed to by the Parties in this Agreement as the governing law.

Except as described later in this Paragraph, discovery in the arbitration shall be limited to the production of requested documents. The Parties may jointly agree to additional discovery. If the Parties cannot agree on additional discovery, the Party seeking such additional discovery may petition the arbitrators for relief. In such instance, the arbitration panel may permit additional discovery as it deems to be reasonably necessary for the resolution of the case before it. All aspects of the arbitration shall be treated as confidential. Neither the Parties nor the arbitrators may disclose the content or results of the arbitration, except as necessary to comply with legal, audit or regulatory requirements. Before making any such disclosure, a Party shall give written notice to the other Party and shall afford such Party a reasonable opportunity to protect its interests.

The result of the arbitration will be binding on the Parties, and judgment on the arbitrators' award may be entered in any court having jurisdiction. The Parties agree that service of process and of any notices required in connection with any arbitration hereunder or any related court proceedings may be given in the manner provided for the giving of notices as set forth in this Agreement. Each Party will bear its own costs in the arbitration, including attorneys' fees. The arbitrators shall not be permitted to award attorney's fees as part of any award. The Parties will share the fees and expenses of the arbitrators equally. The arbitration shall take place at a mutually agreeable location. If the Parties cannot agree on the location the arbitrators shall choose the location.

**FOR SIGNATURE**

**COUNTERPARTS**

This Agreement may be executed in separate counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

I understand and acknowledge that (i) AXA Equitable's Retirement Gateway\* is a group variable annuity contract that can be used a funding vehicle for 457(b) plans, (ii) the Plan Administrator (designated in this Recordkeeping Service Agreement) is, at all times, fully responsible for the operation of the Plan, and (iii) I must obtain administrative and compliance services for the Plan from other parties. I understand and acknowledge that AXA Equitable, its agents, employees, and affiliates will not review any of these Plan administrative and compliance services provided by other parties.

I further understand and agree that AXA Equitable, its agents, employees, and affiliates will not be responsible for losses or damages resulting from recordkeeping, administration or compliance work performed by prior or other service providers.

I further understand and agree that AXA Equitable, by performing these services under this Agreement, does not assume any responsibility of the trustee(s), Plan Administrator, Employer and any other fiduciary of the Plan.

I certify that the Plan is a qualified Plan described in Section 457(b) of the Code and undertake to notify AXA Equitable if the Plan's qualified status under the Code should change. I also certify that the Plan's provisions indicated in this Agreement accurately reflect the Plan document, and assume responsibility for any inaccuracy between the Plan's provisions and those stated herein. I agree to notify AXA Equitable of any changes in the Plan's provisions.

In witness whereof, each party has caused this Agreement to be executed by its duly authorized representative.

**Trustee(s) (If Owner is not Employer, as indicated in the Contract Application)**

Print Name

Signature

Title: \_\_\_\_\_

**Authorized signer(s) for Employer (as per Contract application)**

Kevin J. Rambock

Print Name

Signature

Title: Sheriff

Signed at

Andrea Marsh, Finance Director

Naples, FL

on

City

State

3/13/15

Month

Day

Year

Yes I would prefer to receive a copy of the countersigned application, the Services Recordkeeping Agreement and group annuity contract via email. AXA Equitable will use the email address provided in this agreement.

AXA Equitable Life Insurance Company (Corporate Office)

P. **Steve D'Eredita**  
**Vice President**

Title: \_\_\_\_\_

Signature

## **Administrative Services Agreement**



## 1.0 Agreement

- 1.1 This Administrative Services Agreement (hereinafter the "Agreement") is made and entered into by and between the Employer and Hartford Life Insurance Company, a Connecticut corporation (hereinafter "Hartford Life") This Agreement is separate and distinct from the Annuity Contract entered into between the same parties. It is hereby represented by the Employer that the Employer has authority to act for the Plan and to contract for services on behalf of the Plan
- 1.2 The intent of this Agreement is to facilitate the administration of the Plan as it pertains to accounting for contributions to the Annuity Contract, benefit payments from the Annuity Contract, the withholding of taxes from such benefit payments, and the proper reporting to Participants, annuitants, and governmental agencies. The Employer agrees that this is an exclusive Agreement and that no agreement to provide for the services provided to the Plan under this Agreement shall be entered into between the Employer and other parties during the term of this Agreement
- 1.3 Unless expressly provided otherwise, the services rendered by Hartford Life pursuant to this Agreement shall be performed at no additional cost to the Employer. Upon the request of the Employer, Hartford Life will make a reasonable attempt to secure appropriate services, other than those provided under this Agreement, from other sources with any and all agreed upon fees charged back to the Employer

## 2.0 Definitions

- 2.1 As used herein, the following words and phrases have the meanings set forth as in this Section, unless this Agreement expressly provides otherwise

**"Annuity Contract"** means the group annuity contract(s) between the Contract Owner and Hartford Life issued in connection with the Plan. The Annuity Contract is separate and distinct from this Agreement,

**"Code"** means the Internal Revenue Code of 1986, as amended, including any regulations or rulings thereunder,

**"Contract Owner"** means the Employer or entity, under an agreement with the Employer, owning the Annuity Contract,

**"Employer"** means the State of Florida Sheriff's Office identified in the Administrative Services Adoption Agreement,

**"Participant"** means a sheriff and any employee of the Employer electing to participate in the Plan and Annuity Contract and former employee for whom an account under the Plan and Annuity Contract is maintained,

"Plan" means the Florida Sheriffs Deferred Compensation Plan, a plan established and maintained in accordance with the provisions of Section 457 of the Code,

"Prospectus" if applicable, means the Prospectus as filed with the Securities and Exchange Commission which describes the Annuity Contract.

### **3.0      Participant Individual Account Services**

**3.1**      Hartford Life will establish an individual account for each Participant, beneficiary, or alternate payee under a plan approved domestic relations order. For each such account, Hartford Life will record and maintain the following information

- a)**      name,
- b)**      social security number;
- c)**      mailing address,
- d)**      date of birth,
- e)**      investment direction,
- f)**      contributions allocated and invested,
- g)**      investment transfers,
- h)**      benefit payments

To establish an individual account for an employee, the Employer, after determining such employee's eligibility under the Plan, must provide Hartford Life with an enrollment application. To establish an individual account for an alternate payee, the Employer must provide a copy of the court approved domestic relations order; a letter from the Employer approving the establishment of the individual account which shall include specific instructions on the disposition of the amount in question and the investment rights of the alternate payee under the Plan, and an application for the alternate payee.

**3.2**      Hartford Life will provide a toll free telephone service, or voice response unit (VRU), that enables each Plan Participant to perform certain functions which include, but are not limited to

- a)**      redirect the investment of future contributions among the investment funds under the Annuity Contract,
- b)**      transferring amounts held in the Participant's individual account among the investment funds under the Annuity Contract in accordance with the Prospectus and/or the Annuity Contract,
- c)**      obtaining the Participant's individual account balance in total and on an investment fund basis for the previous valuation day, and

- d) obtaining the accumulation unit value for the previous valuation day for each of the investment funds under the Annuity Contract

Hartford Life will provide customer representatives to support the utilization of the VRU during normal business hours Hartford Life may also provide these enumerated services and features through an Internet site(s) available to Plan Participants Hartford Life will record all activity of the VRU and Internet site(s) in accordance with generally accepted record retention practices Hartford Life will operate its VRU and Internet services in accordance with reasonable provisions to ensure the security of such services. The VRU and Internet site(s) may occasionally be unavailable to accommodate system maintenance

#### **4.0 Contributions**

- 4.1** The Employer shall determine, arrange for, and supply, directly to Hartford Life or their designee, all data necessary to properly allocate contributions Contributions will not be credited pursuant to Section 4.2 until such time as the contribution allocation data is in good order To be in good order, the contribution allocation data for each Participant must reconcile with the total contribution amount received by Hartford Life If the contribution allocation data is not in good order, Hartford Life will notify the Employer that contributions will not be credited until such time as the data is in good order
- 4.2** Contributions will be credited to each Participant's individual account in accordance with the Prospectus/Annuity Contract, as applicable, and invested in one or more of the investment funds provided under the Annuity Contract in accordance with the most current investment direction on file with Hartford Life
- 4.3** Unless otherwise agreed to by Hartford Life, data for processing will be submitted to Hartford Life via a medium and format required by Hartford Life
- 4.4** Any amounts contributed in error by the Employer to the Plan shall be returned to the Employer within seven business days of the receipt of a written notice from the Employer to Hartford Life which establishes the error, the amount of such error and the intended disposition of such error
- 4.5** For purposes of this Section 4.0, the term "contributions" shall include amounts under the Plan transferred to the Annuity Contract from other Plan funding vehicles

#### **5.0 Benefit Payments**

- 5.1** The Employer shall notify Hartford Life in writing of each Participant, beneficiary, or alternate payee the Employer has determined is entitled to receive benefit payments under the terms of the Plan Such notice shall instruct as to the form of benefit payment. For purposes of this Section 5, the term Participant shall include beneficiaries and alternate payees as applicable

- 5.2 Pursuant to any notice received at Section 5 1, Hartford Life shall issue benefit payments to each Participant from the Participant's individual account maintained under the Annuity Contract in accordance with the provisions of the Annuity Contract/ Prospectus, and the Plan
- 5.3 To the extent required by federal and state law, Hartford Life will calculate and withhold from each benefit payment federal and state income taxes. Hartford Life will report such withholding to the federal government and state government, with a copy to the Employer. All income taxes, so withheld, will be remitted by Hartford Life to the appropriate federal and state tax authorities within the time prescribed by federal and state law
- 5.4 Hartford Life shall furnish to each Participant who has received a benefit payment under the Annuity Contract tax reporting form(s) in the manner and time prescribed by federal and state law. Each Participant remains solely responsible for any tax liability incurred as a result of such benefit payment.

## **6.0 Financial Records**

- 6.1 Hartford Life shall establish and maintain financial records for the purposes of this Agreement in accordance with generally accepted accounting practices and procedures which include
- a) a record of all notifications from the Employer concerning Participants who are to receive benefit payments per Section 5 0 of this Agreement,
  - b) statements of gross benefit payments under Section 5 0 of this Agreement,
  - c) statements of all federal and state income taxes withheld under Section 5 3 of this Agreement;
  - d) records of all income tax withholding reports as filed with the federal government and state government(s) on behalf of the Employer;
  - e) records of all transactions within the individual accounts

## **7.0 Individual Participant Reports**

- 7.1 Hartford Life shall mail directly to each Participant (beneficiary or alternate payee as applicable) at the address on file
- a) with each benefit check, a statement of gross benefit payment made under Section 5 0 of this Agreement, including the amount of federal and state taxes withheld and the net amount paid,

- b) a confirmation of investment fund transfers, allocation changes, name and address changes within one (1) business day of such activity,
- c) a statement of accounts summarizing all financial activity for each calendar quarter within ten (10) business days of such quarter end

## **8.0 Plan Sponsor Reports**

- 8.1** Hartford Life shall furnish to the Employer
  - a) a monthly report containing a statement of each and every periodic benefit payment made under Section 5 0 of this Agreement which includes the amount of federal and state taxes withheld pursuant to Section 5 3,
  - b) for each calendar quarter, a confirmation report including all contribution, investment, and benefit payment activity which occurred during the calendar quarter, as well as calendar quarter beginning and ending account values,
  - c) a quarterly report summarizing the financial activity reported at (b) above with the addition of investment gains or losses for the calendar quarter,
  - d) data or information to enable the Plan to determine assets and earnings in connection with requirements of the Government Accounting Standards Board to meet Comprehensive Annual Financial Report (CAFR) requirements,
  - e) reports described in (b) and (c) above prepared for the calendar year,
- 8.2** If requested by the Employer, Hartford Life will provide copies of reports previously provided to the Employer. Hartford Life reserves the right to charge a fee for such copies
- 8.3** Where Allfirst Trust Company has been appointed by the Employer as trustee for the Plan, Hartford Life will report to the trustee each month the total value of the assets of the Plan held under the Annuity Contract. In addition, the reports described in Section 8 1(e) are delivered by Hartford Life to the Employer on behalf of the trustee

## **9.0 Other Services**

- 9.1** Hartford Life shall prepare and mail to the Employer topical updates regarding legislative and regulatory changes affecting the Plan. The Employer agrees and acknowledges that such updates are informational only and do not constitute tax, legal, or investment advice
- 9.2** Hartford Life shall assist in the completion of enrollment forms for eligible employees who elect to participate in the Plan. Hartford Life shall provide informational and promotional

material regarding the Plan for distribution to employees. The Employer agrees to allow and facilitate the periodic distribution of such material to employees.

- 9.3 Hartford Life shall conduct or arrange to have conducted group presentations to explain the Plan to employees. The Employer agrees to facilitate the scheduling of such presentations and to provide facilities at which satisfactory attendance can be expected. Hartford Life agrees that a sufficient number of qualified personnel shall be made available to discuss the Plan with individual Participants.
- 9.4 Hartford Life representatives shall provide, in a manner consistent with insurance and securities law, information to help each employee understand the various investment options approved by the Employer.
- 9.5 Forms and materials required to maintain Participant and Plan level records for the Plan shall be provided at no additional cost to the Employer.
- 9.6 All investments offered under the Plan must be by persons and companies authorized and duly licensed by the applicable state and federal regulatory agencies. All Hartford Life personnel that have contact with employees, other than of a routine administrative nature, will have any necessary state insurance licenses and all will be registered with the NASD and will be trained, licensed, and supervised with respect to the conducting of their business activities hereunder.
- 9.7 Hartford Life shall assist each Participant in calculating his or her deferral limitation under applicable law, help to reconcile any account discrepancies, and provide information to explain the procedures of the Plan.
- 9.8 Upon request by any Participant in the Plan, a representative shall provide information about the various payout options available under the Plan, shall provide an annuity or installment payment illustration and shall help the Participant complete the necessary application and other forms in order to receive payment.

## 10.0 Records Management

- 10.1 Except as otherwise provided herein, Hartford Life shall retain all financial records and supporting documents, correspondence and other written materials pertaining to the Annuity Contract, the Plan and all federal and state income taxes withheld for three years following the date of termination of this Agreement, or, if later, the time prescribed by federal law, but only with respect to those items to which the law applies. Hartford Life may retain such records and documents on microfilm, microfiche, optical storage, or any other process that accurately reproduces or forms a curable medium for reproducing the original. The Employer has the right to make duplicate copies at Employer's expense.

- 10.2 If an audit of the Plan has begun, but has not been completed at the end of the three-year period, or if audit findings have not been resolved at the end of the three-year period, Hartford Life shall retain the records described in Section 10 1 until the audit findings are resolved
- 10.3 If, for any reason, Hartford Life ceases operations prior to the expiration of the records retention period required by this section, all records described in Section 10 1 shall, upon request of the Employer, be made available to the Employer
- 10.4 Upon reasonable written request and during normal business hours, Hartford Life shall allow the Employer full and complete access to all records required to be retained by Hartford Life
- 10.5 The Employer shall have the right upon reasonable written notice, exercised directly or through its independent auditors, to examine and audit Hartford Life's records to determine Hartford Life's compliance with the terms and conditions herein
- 10.6 The Employer acknowledges that Hartford Life is not responsible for auditing Employer records or data for the Plan

## **11.0 Amendment**

- 11.1 The Agreement may be amended by Hartford Life by providing 60 days written notice of the amendment to the Employer. If the Employer does not terminate this Agreement in the manner set forth in Section 12 0, the amendment shall be accepted by the Employer

## **12.0 Termination**

- 12.1 This Agreement may be terminated without any further liability of either party for any obligation maturing subsequent to the date of such termination, upon 60 days written notice to the other party
- 12.2 Within 90 days of termination of this Agreement, Hartford Life shall deliver to the Employer any reports required by this Agreement which have not already been provided
- 12.3 This Agreement is contingent upon the existence of the Annuity Contract. If the Annuity Contract is discontinued, this Agreement automatically terminates as of the date the Annuity Contract is discontinued. Discontinuance of the Annuity Contract will not affect any obligation of Hartford Life under Section 5 0 of this Agreement to Participants who have become entitled to payments under the Annuity Contract and the Plan prior to such discontinuance

## 13.0 General Provisions

- 13.1 The responsibility of Hartford Life is limited to the terms of this Agreement. Nothing in this Agreement shall be construed to make Hartford Life responsible for the Plan or Plan trust or to confer responsibilities upon Hartford Life except for those expressly provided for in this Agreement. The Employer agrees and acknowledges that no discretionary responsibility is hereby conferred upon or assumed by Hartford Life under this Agreement. The Employer hereby acknowledges that Hartford Life does not agree, pursuant to this Agreement or otherwise, to provide tax, legal, or investment advice.
- 13.2 Hartford Life shall perform its obligations hereunder as agent for the Employer and only in accordance with instructions received from those persons authorized to act on behalf of the Employer as specified to Hartford Life in writing.
- 13.3 The Employer understands that all services performed and reports prepared pursuant to this Agreement will be based on information provided by the Employer and that Hartford Life shall incur no liability and responsibility for the performance of such services and preparation of such reports until and unless such information as Hartford Life shall request is provided. Hartford Life shall be entitled to rely on the information submitted as to accuracy and completeness and assume no obligation or duty to verify such information. The Employer understands that all services performed and reports prepared pursuant to this Agreement will be in satisfaction of this Agreement. Where the information provided to Hartford Life by the Employer was incorrect, and where services previously provided, based on such incorrect information, must be performed again, Hartford Life reserves the right to charge additional fees. Hartford Life shall have no responsibility or liability for any error, inadequacy, or omission which results from inaccurate information, data documents or other records provided to Hartford Life. The performance of obligations hereunder is subject to force majeure and is excused by fires, power failures, strikes, acts of God, restrictions imposed by government, or delays beyond the control of the delayed party.
- 13.4 Employer hereby agrees that Hartford Life, its officers, employees, brokers, registered representatives, vendors and professional advisors (such as attorneys, accountants and actuaries) may use and disclose Plan and Participant information to enable or assist it in the performance of its duties hereunder and with other Plan related activities and expressly authorizes Hartford Life to disclose Plan and Participant information to the Plan's agent and/or broker of record on file with Hartford Life. Plan and Participant information may also be used or disclosed by Hartford Life to other third parties pursuant to a written authorization signed by the Employer. Notwithstanding anything to the contrary contained herein, it is expressly understood that Hartford Life retains the right to use any and all information in its possession in connection with its defense and/or prosecution of any litigation which may arise in connection with this Agreement, the Annuity Contract funding the Plan, or the Plan.

- 13.5 The Employer authorizes Hartford Life to contact any employee at his or her home or business address to obtain information needed to perform the services under this Agreement
- 13.6 Hartford Life shall conduct an internal audit from time to time and shall promptly notify the Employer of any material irregularities that would affect the operation of the Plan
- 13.7 Unless otherwise agreed to in writing by the Employer, neither Hartford Life nor its agents shall use information obtained under the Plan to directly or indirectly solicit Participants with respect to any Hartford Life product not a part of the Plan without the prior consent of the Employer. Notwithstanding the foregoing, nothing in this Agreement shall prohibit Hartford Life from solicitations undertaken in the ordinary course of Hartford Life's business using lists obtained from sources other than the Employer
- 13.8 The failure of the Employer or Hartford Life at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Agreement or any part hereof, or the right of the Employer or Hartford Life thereafter to enforce each and every provision thereof
- 13.9 Hartford Life may assign its rights and obligations under this Agreement to an affiliate or subsidiary company without the written consent of Employer. However, any other assignment of this Agreement, or any part of it, without the written consent of the other party shall be void
- 13.10 Any notices provided for herein shall be in writing and shall be delivered personally, or sent by facsimile device, express delivery or registered or certified United States mail, postage prepaid, return receipt requested and shall be deemed to have been given when received by
- a) For the Employer Florida Sheriffs Association Multiple Employers Trust  
c/o Hunt Insurance Group, Inc.  
2324 Centerville Road  
Tallahassee, Florida 32317
- and/or to such other persons at such other addresses which the Employer has designated in writing,
- b) Hartford Life Director, Service Center Operations  
Retirement Plan Solutions  
Hartford Life Insurance Company  
P O. Box 2999  
Hartford, CT 06104-2999

- 13.11 Indemnification by the Employer** - The Employer agrees to indemnify, defend and hold harmless Hartford Life, its subsidiaries, affiliates, officers, directors, employees and agents from and against any and all loss, damage or liability assessed against Hartford Life or incurred by Hartford Life arising out of or in connection with any claim, action or suit brought or asserted against Hartford Life alleging or involving the Employer's negligence or willful misconduct in the performance (or non-performance) of its services, duties and obligations under this Agreement and/or the Plan, provided that (i) Hartford Life has notified the Employer promptly and in writing of the claim, action or suit, (ii) the Employer has the right to assume the defense of such claim, action or suit with counsel selected by the Employer and to compromise or settle such action, suit or claim (provided however, that any such compromise or settlement shall not require action or non-action by Hartford Life without its prior written consent, which shall not be unreasonably withheld), and (iii) the Employer receives Hartford Life's cooperation, at the Employer's sole cost, in such defense. The provisions of this Section shall survive any termination of this Agreement

**Indemnification by Hartford Life** - Hartford Life agrees to indemnify, defend and hold harmless the Employer, its officers, directors, employees and agents from and against loss, damage or liability assessed against the Employer or incurred by the Employer arising out of or in connection with any claim, action or suit brought or asserted against the Employer alleging or involving Hartford Life's negligence or willful misconduct in the performance (or non-performance) of its services, duties and obligations under this Agreement; provided that (i) the Employer has notified Hartford Life promptly and in writing of the claim, action or suit, (ii) Hartford Life has the right to assume the defense of such claim, action or suit with counsel selected by Hartford Life and to compromise or settle such action, suit or claim (provided however, that any such compromise or settlement shall not require action or non-action by the Employer without its prior written consent, which shall not be unreasonably withheld); and (iii) Hartford Life receives the Employer's cooperation, at Hartford Life's sole cost, in such defense. The provisions of this Section shall survive any termination of this Agreement

- 13.12 Notwithstanding anything to the contrary contained herein, neither party nor their affiliates shall be liable for indirect, special or consequential damages** The Plan Sponsor understands and agrees, on behalf of itself and each Participant, that it is the Plan Sponsor's and Participants' duty to verify the accuracy of the reports provided to them pursuant to Sections 7 and 8 herein and to notify Hartford Life of any errors at our administrative offices within thirty (30) days of their receipt of such reports. All such reports shall be binding on the recipients if not objected to within such thirty (30) day time period. Nothing in this Section shall prevent Hartford Life from correcting errors discovered beyond this timeframe in accordance with its uniformly applied administrative procedures in existence at the time such error is discovered. The provisions of this section shall survive any termination of this Agreement

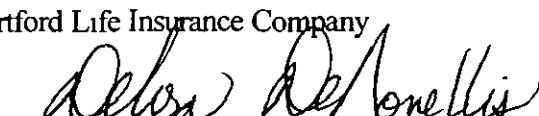
- 13.13 The laws of the State of Florida shall govern the rights and obligations of the parties under**

this Agreement.

- 13.14 Hartford Life agrees to comply with nondiscrimination and affirmative action requirements applicable to Hartford Life due to its status as a contractor under this Agreement
- 13.15 Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall be ineffective to the extent such provision is prohibited or unenforceable without invalidating the remaining provisions, and any such prohibition or unenforceable provision in any jurisdiction shall not invalidate nor render unenforceable such provision in any other jurisdiction.
- 13.16 Both the Employer and Hartford Life agree to comply in all material respects with all applicable federal, state, and local laws and regulations as it affects the Plan and its operation. Nothing contained herein shall be construed to prohibit either party from performing any act or not performing any act as either may be required by statute, court, or other authority having jurisdiction thereof
- 13.17 Two or more duplicate originals of this Agreement may be signed by the parties, each of which shall be an original but all of which together shall constitute one and the same instrument.
- 13.18 This Agreement and any written appendices, amendments and addenda hereto embody the entire Agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein and this Agreement shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto with respect to this Agreement
- 13.19 This Agreement shall be effective immediately upon execution of an Administrative Services Adoption Agreement by the Employer or its authorized representative and shall remain in force until terminated by either party as provided herein. A signed original of the Administrative Services Adoption Agreement shall be retained with this document and attached hereto

For Hartford Life Insurance Company

By

  
Debra Denovellis, Assistant Vice-President  
Investment Products Division

Date 11/6/01



## CONTRACT ENDORSEMENT TO

This Endorsement is issued as part of the contract to which it is attached. The conditions and provisions of the contract shall continue to apply except as amended herein.

**Effective April 26, 2010**, the chart entitled, **ANNUALIZED RATES OF DEDUCTION**, and the paragraph that precedes it under the term Deduction for Mortality, Expense Risk and Administrative Undertakings, as set forth in the CONTRACT SPECIFICATIONS section of the Contract are hereby amended to read as follows:

“The following table demonstrates the annualized rates of deduction for assuming the mortality and expense and administrative undertakings to be applied at the attainment of certain aggregate plan asset levels maintained under this Contract. The specified annualized rates of deduction will be **effective on April 26, 2010**, or as soon as administratively feasible thereafter.

<b>ANNUALIZED RATES OF DEDUCTION</b>		
	<b><u>Group A Investment Options</u></b>	<b><u>Group B Investment Options</u></b>
<b>For Assets in the Accumulation Period:</b>	0.00%	0.00%
<b>For Assets in the Annuity Period:</b>	1.25%	0.85% ”

Signed for the Hartford Life Insurance Company by:

**Donald C. Hunt, Secretary**

**John C. Walters, President**

**HARTFORD LIFE INSURANCE COMPANY  
HARTFORD, CONNECTICUT**  
(A stock insurance company herein called the Company)

Agrees with the Contract Owner to pay benefits as provided herein

This Contract is issued in consideration of the application of the Contract Owner, a copy of which is attached to and made a part of this Contract and the payment of contributions in accordance with the terms and condition of this Contract

The Contract Specifications and the Conditions and provisions on this and the following pages are part of the contract

**IMPORTANT NOTICE TO OBTAIN INFORMATION OR MAKE A COMPLAINT  
YOU MAY CALL THE HARTFORD LIFE INSURANCE COMPANY TOLL  
FREE TELEPHONE NUMBER 1-800-678-2282 YOU MAY ALSO WRITE TO  
THE HARTFORD LIFE INSURANCE COMPANY, P O BOX 1583,  
HARTFORD, CONNECTICUT 06144-1583**

Signed for the Company



Christine Hayer Repasy, Secretary



Thomas M. Marra, President

**Group Annuity Contract**

This Contract makes provision for the accumulation of contract values in the General Account of the Company to provide fixed annuity accumulation and benefits and in the Separate Accounts of the Company to provide variable annuity accumulations and benefits. Actual annuity payout commencing on the Annuity Commencement Date may be on a variable basis (Separate Account) and/or on a fixed basis (General Account) as determined by the Contract Owner

ALL PAYMENTS AND VALUES PROVIDED BY THIS CONTRACT, WHEN BASED ON INVESTMENT EXPERIENCE OF A SEPARATE ACCOUNT, ARE VARIABLE AND ARE NOT GUARANTEED AS TO FIXED DOLLAR AMOUNT. DETAILS OF THE VARIABLE PROVISIONS ARE DESCRIBED UNDER THE SECTION ENTITLED "VALUATION PROVISIONS" BEGINNING ON PAGE 13. THE INITIAL INTEREST RATE IS GUARANTEED FOR A LIMITED AMOUNT OF TIME AND MAY THEREFORE CHANGE

**NONPARTICIPATING**



Hartford Life

## CONTRACT SPECIFICATIONS

CONTRACT OWNER	Collier County Sheriff's Office
CONTRACT EFFECTIVE DATE	October 24, 2001
CONTRACT JURISDICTION	Florida
CONTRACT NUMBER	[REDACTED]

## GROUP ANNUITY CONTRACT

### General Account

Guaranteed Interest Rates prior to and including the Annuity Commencement Date

Contributions shall be credited with interest at a rate declared for the calendar quarter in which they are received. The declared interest rate for any quarter shall be determined by the Company and may be changed for any subsequent quarter at the discretion of the Company. The declared interest rate applicable to any quarter will be guaranteed to the end of the applicable calendar year. Any change in the declared interest rate will be declared before the start of the quarter.

For each subsequent calendar year, each contribution will be credited with interest at a rate guaranteed for the entire year (the "Guaranteed Interest Rate") which rate will never be less than 3%. The Guaranteed Interest Rate for a calendar year will be determined at the end of the preceding calendar year. The Company may, from time to time, credit interest rates in excess of the Guaranteed Interest Rate.

### Separate Account(s)

The Separate Account(s) of the Company supporting the Contract are entitled Separate Account 457.

The various Separate Account 457 Sub-Accounts under this Contract and the corresponding investment Funds for each Sub-Account are set forth in the most recent Administrative Notice which is attached to and made part of this Contract.

The Company reserves the right, subject to compliance with applicable law, to substitute the shares of any other registered investment company for the shares of any Fund held by a Separate Account included in this Contract. Substitution may occur if shares of any Fund(s) become unavailable, or due to changes in the applicable law or interpretations of law, or as the Company otherwise deems appropriate.

The Company also reserves the right, in its sole discretion and subject to compliance with applicable law, to add, replace, or delete Separate Accounts and/or Funds (with or without differing investment objectives) to or from this Contract, and to terminate ongoing contributions to Separate Accounts and/or Funds under this Contract, provided the Company gives the Contract Owner thirty (30) days advance written notice of its intent to do so, and further provided that the Company takes the same action(s) with respect to all contracts of the same class and risk characteristics. If the Company adds additional Separate Accounts and/or Funds to this Contract, the Separate Accounts and/or Funds so added will be subject to the charges, fees, and transfer restrictions then in effect for such Separate Accounts and/or Funds at the time they are added to this Contract.

## CONTRACT SPECIFICATIONS – continued

A list of the investment options selected by the Contract Owner and available under this Contract will be provided to the Contract Owner from time to time in an Administrative Notice. The various Investment Options/Sub-Accounts available under this Contract, unless otherwise elected by the Contract Owner, are set forth in accordance with the most recent Administrative Notice issued by the Company. An Administrative Notice may be furnished when Investment Options/Sub-Accounts have been added, frozen, eliminated or replaced under the Contract. Such Notice may also reflect information relative to such Investment Options, including, but not limited to, the applicable deduction for mortality, expense risk and administrative undertakings, its classification as a competing fund (if applicable), and any applicable transfer restrictions.

### Competing Funds

For purposes of applying the transfer restrictions described under CONTRIBUTION PROVISIONS, the following Funds are considered competing funds ("Competing Funds")

Hartford Money Market HLS  
General Account

The Company reserves the right, in its sole discretion, to determine whether or not any Fund included in this Contract on the Effective Date or subsequently added to this Contract after the Effective Date is or has become a Competing Fund.

### Contingent Deferred Sales Charges

**As of the Effective Date of this Contract, the Contingent Deferred Sales Charge set forth below shall not apply for any surrender or transfer from a Participant's Account initiated on or after such date.**

Surrenders and transfers from this Contract shall be subject to a Contingent Deferred Sales Charge, provided, however, such Contingent Deferred Sales Charge shall apply only to the extent such surrenders or transfers constitute amounts contributed or earned under this Contract or any Related Contract. The Contingent Deferred Sales Charge is a percentage of the contract values transferred or surrendered. The number of Contract Years completed prior to the surrender or transfer will determine the amount of the Contingent Deferred Sales Charge.

- (a) The Contingent Deferred Sales Charge to be applied under this Contract shall be equal to five percent (5%) of the surrendered or transferred amount from the Participant's Account during the first six Participant's Contract Years, four percent (4%) of the surrendered or transferred amount during the seventh and eighth Participant's Contract Years, three percent (3%) of the surrendered or transferred amount during the ninth and tenth Participant's Contract Years, and two percent (2%) during the eleventh and twelfth Participant's Contract Years. After the twelfth Participant's Contract Year, surrenders or transfers will no longer be subject to any deduction for Contingent Deferred Sales Charges.

## CONTRACT SPECIFICATIONS – continued

- (b) The Contingent Deferred Sales Charge described in (a) above shall not apply to an Eligible Surrender For purposes of this Contract, an Eligible Surrender is a surrender, including a surrender applied to effect an annuity under Section 9(d), "Election of Annuity Option", where such surrender is (1) made on account of a Qualifying Event and (2) payable directly to the Participant, or, if applicable, to the Participant's beneficiary For purposes of this Contract, the term "Qualifying Event" shall mean (i) the death of the Participant, (ii) financial hardship, as defined in the Plan, (iii) the Participant's separation from service, or (iv) the Participant's retirement An amount surrendered for transfer to the Plan funding vehicle of another investment provider for the Plan shall not be considered payable directly to the Participant and shall not constitute an Eligible Surrender under this Contract
- (c) The Contingent Deferred Sales Charges shall not apply to a transfer of Contract values from this Contract to a Related Participant Directed Account Option

### Deduction for Mortality, Expense Risk and Administrative Undertakings

For assuming the mortality, expense risk and administrative undertakings under this Contract the Company makes a deduction from the average daily net assets of the Separate Accounts as follows

During the Accumulation Period, the annualized rate of the deduction for such risks and undertakings has initially been set at 0.45% of the average daily net assets of the Group A and 0.45% of the average daily net assets of the Group B Investment Options. During the Annuity Period, the annualized rate of the deduction for such risks and undertakings has initially been set at 1.25% of the average daily net assets of the Group A Investment Options, and 0.85% of the average daily net assets of the Group B Investment Options. These deductions may be decreased by the Company, in its sole discretion and may be increased by the Company upon 90 days advance written notice to the Contract Owner, and subject to a maximum deduction of 2.00% per year from the average daily net assets of each Investment Option under Separate Account 457 included in this Contract. Deductions applicable to each Investment Option under Separate Account 457 included in this Contract may increase or decrease based on the amount of assets held under this Contract.

The following table demonstrates the annualized rates of deduction for assuming the mortality and expense and administrative undertakings to be applied at the attainment of certain aggregate plan asset levels maintained under this Contract. The specified annualized rates of deduction will be effective on the Effective Date, or as soon as administratively feasible thereafter.

ANNUALIZED RATES OF DEDUCTION		
	<u>Group A Investment Options</u>	<u>Group B Investment Options</u>
<b>For Assets in the Accumulation Period:</b>	0.45%	0.45%
<b>For Assets in the Annuity Period:</b>	1.25%	0.85%

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## SECTION 1 - DEFINITIONS OF CERTAIN TERMS

Accumulation Period - The period under this Contract prior to the Annuity Commencement Date

Accumulation Unit - An accounting unit of measure used to calculate the Separate Account values during the Accumulation Period

Active Life Fund - A term used to describe the sum of the value of all Participants' Accounts during the Accumulation Period

Annuitant - The individual whose life shall serve as the measuring life for purposes of annuity payments under this Contract

Annuity Commencement Date - The date as of which annuity payments to a Participant are to begin as described under Settlement Provisions in this Contract

Annuity Period - The period in the Contract, following the Accumulation Period, during which annuity payments are made

Annuity Unit - An accounting unit of measure in the Separate Account used to calculate the amount of variable annuity payments

Code - The Internal Revenue Code of 1986, as amended, or any successor thereto, along with the rulings and regulations issued thereunder

Company - Hartford Life Insurance Company

Contract Year - A period of 12 months commencing with the effective date of this Contract or with any contract anniversary

Date of Coverage - The date on which the application made on behalf of a Participant is received by the Company in Good Order

Due Proof of Death - A certified copy of the death certificate, an order of a court of competent jurisdiction, a statement from a physician who attended the deceased or any other proof acceptable to the Company

Fund - The underlying investment(s) to which contributions may be allocated under a Separate Account

General Account - All assets of the Company other than those in the Separate Accounts, or in any other separate investment account established by the Company

Good Order - An authorized Participant or Contract Owner instruction to the Company that is given with such clarity and completeness that the Company is not required to exercise any discretion, utilizing such forms as the Company may require

Minimum Death Benefit - The minimum amount payable upon the death of a Participant prior to age 65 and before Annuity payments have commenced

**Participant** – A person who participates in the Plan and elects to participate in this Contract

**Participant's Account** - A bookkeeping account to which the General Account values and Separate Account values held by the Contract Owner on behalf of a Participant are allocated, together with credited earnings and losses and less any prior surrenders (including transfers)

**Participant's Contract Year** - A period of twelve (12) months commencing with the Participant's Date of Coverage under this Contract and each successive twelve (12) month period thereafter

**Plan** - The deferred compensation plan that is funded by this Contract

**Premium Tax** - The tax or amount of tax, if any, charged by a state or municipality on premiums or contract value

**Related Contract** - any Plan funding vehicle identified by the Contract Owner in writing and accepted by the Company for the purpose of calculating or determining certain charges, services and/or benefits in connection with this Contract, as directed by the Contract Owner and agreed to by the Company

**Related Participant Directed Account Option** – Any Participant directed investment account under the Plan is identified by the Contract Owner and accepted by the Company for the purpose of Participant directed transfers of amounts from the Contract for investment outside of the Contract

**Separate Account** - Each Separate Account of the Company (identified under the Contract Specifications section of this contract) under which income, gains and losses, whether or not realized, from assets allocated to such account are, in accordance with the contracts issued with respect thereto, credited to or charged against such Separate Account without regard to the other income, gains, or losses of the Company

**Sub-Account** - The accounts established within a Separate Account with respect to a Fund

**Termination Value** - The Termination Value for each Participant's Account for any day prior to the Annuity Commencement Date is the value of the Participant's Account on that Valuation Day, less

- (a) any applicable Premium Taxes not previously deducted, and
- (b) any applicable Contingent Deferred Sales Charges as set forth under the Contract Specifications

The portion of a Participant's Termination Value invested in a Separate Account may decrease or increase from day to day

**Valuation Day** - Every day the New York Stock Exchange is open for trading. The value of a Separate Account is determined as of the close of the New York Stock Exchange on such days

**Valuation Period** - The period between successive Valuation Days

## SECTION 2 - CONTRIBUTION PROVISIONS

### (a) Contributions

During each Contract Year, the Contract Owner will remit to the Company all contributions to be made on behalf of the Participants. Such contributions will be applied by the Company to the General Account and/or the Separate Account for Accumulation Units in the Separate Account on behalf of a Participant in accordance with the Valuation Provisions and the instructions of the Contract Owner or, with the consent of the Contract Owner, the instructions of the Participant. The minimum contribution which may be made at any time on behalf of any Participant is \$30, except where the plan of an Employer requires a lesser amount which in any event may not be less than \$10.

### (b) Allocation of Contributions during the Accumulation Period

The Contract Owner, or the Participant, if applicable, shall specify that portion of a contribution on behalf of a Participant to be allocated to the General Account and/or to each Sub-Account of a Separate Account in multiples of 10% or a lower multiple as specified by the Company from time to time. The minimum amount that may be allocated to any account to which a portion of the contribution is to be allocated is 10% of such contribution. Such allocation may be changed by written notice submitted to the Company with each contribution by the Contract Owner.

### (c) Transfer or Re-Allocation of Contract Values within the Contract/Related Contracts

With respect to a Participant's Account, the Contract Owner, or the Participant, if applicable, may transfer monies between accounts under this Contract during the Accumulation Period, subject to the provisions of this Section 2(c). If elected by the Contract Owner and agreed to by the Company, such transfers may also be made between accounts under this Contract and a Related Participant Directed Account Option.

Separate Account values may be re-allocated between Sub-Accounts within the Separate Account(s) or, if applicable, between sub-accounts within separate accounts under a Related Contract and transferred to the General Account at any time.

General Account values may be transferred to one or more Sub-Accounts within the Separate Accounts or, if applicable, to one or more sub-accounts within a separate account under a Related Contract except that the Company may limit the sum of any such transfers for a Participant's Account in any Participant's Contract Year to one sixth (1/6th) of the General Account value of such Participant's Account as of the end of the preceding Participant's Contract Year.

In addition, a transfer of contract values within the Contract or, if applicable, between this Contract and a Related Contract shall be subject to the following restrictions:

Transfers of assets presently held in the General Account, or which were held in the General Account at any time during the preceding three month period, to a Competing Fund are prohibited. Similarly, transfers of assets presently held in a Competing Fund, or which were held in a Competing Fund or the General Account during the preceding three months, to the General Account are prohibited. Competing Fund(s) are described under Contract Specifications. If applicable, Competing Fund(s) shall also include any investment options under a Related Contract, as determined by the Company in its sole discretion.

- (d) A Participant who is properly enrolled under this Contract may elect to transfer an amount to the Contract from the contract of another carrier under the Plan. Such transferred amount shall first be transferred to the General Account of the Company and may be reallocated within the Contract by the Contract Owner or the Participant as permitted by the Contract.

### SECTION 3 - CONTRACT CONTROL PROVISIONS

(a) Owner

The Contract Owner has the power to exercise all the rights, privileges and options granted by this Contract or permitted by the Company and to agree with the Company to any change in or amendment to the Contract. Such power shall be exercised in a manner consistent with the written plan adopted by the Contract Owner for the exclusive benefit of Participants and their beneficiaries. The assets and income of this Contract may not be used for or diverted to purposes other than the exclusive benefit of Participants and their beneficiaries, except as permitted under the Code. The preceding sentence does not limit the Company's exercise of the rights granted to the Company by this Contract, including the right to deduct and retain amounts specified in the Contract.

(b) Beneficiary

The Beneficiary is the person to whom any death benefit from the Contract on behalf of a Participant is payable in the event of the Participant's death. The Beneficiary is designated by (and may be changed by) the Participant, subject to any rules established by the Contract Owner or the Company. If no designated beneficiary remains living at a Participant's death, the Participant's estate is the Beneficiary.

(c) Assignment

Amounts held under the Contract on behalf of a Participant are nontransferable and cannot be sold, assigned, or pledged as security, for a loan or for any other purpose to any person other than the Company, except as permitted under the Code and the terms of this Contract.

The Contract Owner's interest in this Contract may be assigned only if agreed to by the Company. The Contract Owner agrees to provide the Company with such information as the Company may reasonably request concerning any proposed assignment. The Company assumes no responsibility for the validity of any assignment.

## SECTION 4 - GENERAL PROVISIONS

### (a) The Contract

This Contract and the application for the Contract which is attached hereto when issued to the Contract Owner, constitute the entire Contract. All statements in the application shall, in the absence of fraud, be deemed representations and not warranties. No statement shall void this contract or be used in defense of a claim under it unless contained in the written application for this Contract. Contract Years, months and anniversaries shall be computed from the effective date of this Contract.

### (b) Modification of the Contract

This Contract may be modified at any time by written agreement between the Contract Owner and the Company. In addition, this Contract may be modified at any time by the Company to comply with applicable law. No modification may operate in a manner inconsistent with the Contract Control Provisions of this Contract. No modification will affect the amount or term of any annuities begun prior to the effective date of the modification, unless it is required to conform this Contract to, or give the Contract Owner the benefit of, any federal or state statutes or any rule or regulation of the United States Treasury Department.

On and after the fifth Contract Anniversary, the Company may modify any or all of the terms of this Contract upon 90 days' advance written notice of such change to the Contract Owner. Notwithstanding any such changes, the annuity tables, guaranteed interest rates and Contingent Deferred Sales Charges which apply on the Date of Coverage of a Participant's Account will continue to apply to all contributions made to such Participant's Account.

The Company may also modify this Contract in any manner it deems necessary or appropriate to satisfy the requirements of any law or regulation applicable to it.

Any modification of this Contract requires the signature of the President, a Vice President, a Secretary, or an Assistant Secretary of the Company.

### (c) Suspension of the Contract

The Contract Owner may suspend this Contract upon ninety (90) days advance written notice to the Company at its Office in Hartford, Connecticut (or at any other address the Company may specify). The Contract will be suspended automatically on a Contract Anniversary if the Contract Owner fails to assent to any modifications, as described under Modification of the Contract, above, which would have been effective on or before that Contract Anniversary. On suspension, contributions will be accepted by the Company on behalf of Participants covered under the Contract prior to the date of suspension, but no contributions will be accepted on behalf of new Participants. Suspension of the contract will not affect payments to be made by the Company under an Annuity that commenced prior to the date of suspension.

### (d) Non-Participating

This Contract does not share in the surplus earnings of the Company.

(e) Misstatement of Age

If the age of an Annuitant has been misstated, the amount of the annuity payable by the Company shall be that provided by the values under this Contract allocated to effect such annuity on the basis of the corrected information, without changing the date of the first payment of such annuity

Any underpayments by the Company shall be made up immediately and any overpayments shall be charged against future amounts becoming payable

(f) Reports to the Contract Owner

The Company will, shortly following the end of each calendar year, transmit to each Contract Owner a written statement of account showing the total value of General Account and Separate Account interests held under this Contract

(g) Voting Rights

The Company shall cause the Contract Owner to be advised, in a timely manner, of any Fund shareholders' meetings at which the Fund shares held for the Contract Owner may be voted and shall also cause proxy materials and a form of instruction by means of which the Contract Owner can instruct the Company with respect to the voting of the Fund shares held for the Contract Owner's Account to be sent to the Contract Owner. In connection with the voting of Fund shares held by it, the Company shall arrange for the handling and tallying of proxies received from the Contract Owner. The Company, as such, shall have no right, except as herein provided, to vote any Fund shares held by it hereunder which may be registered in its name or the names of its nominees

The Company will vote the Fund shares held by it under this Contract in accordance with the instructions received from the Contract Owner. If the Contract Owner desires to attend any meeting at which the Fund shares held for the Contract Owner's benefit may be voted, the Contract Owner may request that the Company furnish a proxy or otherwise arrange for the exercise of voting rights with respect to the Fund shares held for such Contract Owner's account. In the event that the Contract Owner gives no instructions or leaves the manner of voting discretionary, the Company will vote such shares of each Fund in the same proportion as shares of that Fund held in the same Separate Account for which instructions have been received

(h) Proof of Survival

The payment of any annuity benefit will be subject to evidence that the Annuitant is alive on the date such payment is otherwise due

(i) Information from the Contract Owner

The Contract Owner will furnish any information which the Company may reasonably require in order to administer this contract. If the Contract Owner cannot furnish any required item of information, the Company may request the person concerned to furnish the information. The Company will not be liable for the fulfillment of any obligations under this Contract which is dependent upon that information unless and until it receives such information in a form satisfactory to it

(j) Individual Certificates

The Company will issue an individual certificate to each Participant for whom an annuity is effected under this Contract. If the state of jurisdiction in which this Contract is issued so requires, the Company will also issue a certificate to each Participant for whom contributions are being made to this Contract and for whom an annuity has not yet been effected. A certificate will evidence the contributions being made to this Contract and describe the Participant's or Annuitant's rights and duties under this Contract.

(k) Experience Credits

The Company may apply experience credits under this Contract based on investment, administrative, mortality or other factors. Experience credits may be applied, either prospectively or retrospectively, as a reduction in the deduction for mortality, expense risk and administrative undertakings, a reduction in the term or amount of any applicable contingent deferred sales charges, an increase in the rate of interest credited under the Contract, a payment to be allocated as directed by the Contract Owner, or any combination of the foregoing. The Company may apply and allocate experience credits in such manner as the Company deems appropriate for the class of contracts to which this Contract belongs within the state of issue. Any such credit will be computed for the contracts of the same class in accordance with the Company's administrative practice consistently applied. Experience Credits may be discontinued in the event of a change in applicable factors.

(l) Payments for Plan Related Expenses

If directed by the Contract Owner and agreed to by the Company, the Company may deduct amounts from the assets under this Contract and/or under a Related Contract to pay certain administrative expenses or other Plan related expenses including, but not limited to, fees to consultants, auditors and other Plan service providers. Such amounts may be deducted under this Contract and/or under a Related Contract and paid to the Contract Owner or paid as directed by the Contract Owner. With the Company's consent, amounts deducted pursuant to this Section may be included as an adjustment to the charge for administrative undertakings deducted from a Separate Account or as an adjustment to the rate of interest credited to the General Account.

(m) Plan Changes

The Contract Owner will furnish the Company a copy of the deferred compensation plan which is funded by this Contract. While this Contract remains in-force, the Contract Owner will also furnish a copy of each amendment to such Plan. The terms of the Plan in effect on the Effective Date of this Contract apply to this Contract. Plan amendments received by the Company will also apply to this Contract unless the Company notifies the Contract Owner otherwise within ninety (90) days following its receipt of the Plan amendment.

(n) Governing Law

This Contract will be governed by and construed in accordance with the laws of the Contract Jurisdiction set forth on page 2 of this Contract.

(o) Nonwaiver

The Company may, in its sole discretion, elect not to exercise a right or reservation specified in this Contract. Such election shall not constitute a waiver of the right to exercise such right or reservation at any subsequent time, nor shall it constitute a waiver of any other provisions of the Contract.

## SECTION 5 - VALUATION PROVISIONS

(a) Net Contributions

The net contribution to the Contract on behalf of a Participant is equal to the total contributions made on behalf of that Participant less any applicable Premium Taxes.

The net contribution for the General Account or Separate Account (determined in accordance with the account allocation percentages elected) is applied to provide General Account values or Separate Account Accumulation Units. The number of Accumulation Units credited to each variable account is determined by dividing the net contribution for that account by the dollar value of one Accumulation Unit next computed after the receipt of the contribution by the Company.

Distributed earnings with respect to the underlying Funds will be credited to Contract Owners by increasing the value of units of interest held under this Contract.

The number of Accumulation Units so determined will not be affected by any subsequent change in the value of Accumulation Units. The Accumulation Unit value in the Separate Account may decrease or increase from day to day as specified below.

(b) Net Investment Rate and Net Investment Factor

The General Account net investment rate applicable to this Contract for any day is guaranteed to be at least the rate shown under the Contract Specifications section of this Contract.

The net investment rate for each sub-Account in each of the Separate Accounts for any day is equal to the gross investment rate for each Sub-Account in the Separate Accounts expressed in decimal form to at least six (6) decimal places, less applicable deductions by the Company for the expense, mortality and administrative undertakings as set forth under the Contract Specifications section of this contract. The gross investment rate for a Sub-Account is (a) its investment income for the Valuation Day plus its capital gains and minus its capital losses, whether realized or unrealized, and less a deduction for any applicable taxes arising from the income and the realized and unrealized capital gains attributable to that Sub-Account, divided by (b) the value of that Sub-Account on the previous Valuation Day.

The net investment factor for each Sub-Account is the sum of 1 000000 plus the net investment rate for that account.

(c) Segregation of Separate Account Assets

That portion of the assets of each Separate Account equal to the reserves and other Contract liabilities of the Separate Account shall not be chargeable with liabilities arising out of any other business the Company may conduct. The assets of each Separate Account are segregated from all other assets of the Company and are subject only to the claims of contracts participating in such Separate Accounts.

(d) Accumulation Unit Value

The value of an Accumulation Unit for each Sub-Account of a Separate Account was set at an initial fixed value on the date the Sub-Account was initially established. The value of the respective Accumulation Units for any subsequent day is determined by multiplying the Accumulation Unit value for the preceding day by the net investment factor for that Sub-Account for the current day.

(e) Annuity Unit Values During the Annuity Period

The value of an Annuity Unit for each Sub-Account in a Separate Account was fixed at \$1 each on the date the Sub-Account was initially established and for any day thereafter is determined by multiplying the value of the Annuity Unit for that Sub-Account on the preceding day by the product of (a) 0.999892 and (b) the net investment factor for that Sub-Account of the Separate Account for the day for which the annuity value is being calculated.

## SECTION 6 - GENERAL ACCOUNT LIQUIDITY PROVISIONS

Prior to the Date of Discontinuance as defined in the Contract Discontinuance provisions in Section 7, a request for a partial surrender or transfer of General Account values in the Active Life Fund may be made at any time, provided, however, any and all such requests shall be subject to the transfer restrictions set forth at Section 2(c) and the Liquidity Restrictions set forth in paragraphs (a) and (b) of this Section 6.

- (a) Notwithstanding any benefits which may be payable to Participants or beneficiaries under the terms of the Plan, including, but not limited to, benefits under the Plan on account of retirement, death, separation from service, or financial hardship, the Contract Owner specifically agrees that the Company has the absolute right to deny any request for any surrender or transfer of General Account values in the Active Life Fund, when the sum of all requests for surrenders and transfers of such General Account values in any Contract Year exceeds one sixth (1/6) of the General Account values held in the Active Life Fund at the end of the immediately preceding Contract Year. The Company reserves the right to defer any request for a surrender or transfer in excess of the one sixth (1/6) limit until the next Contract Year. Any surrender or transfer request that is deferred to a later Contract Year shall be counted towards, and shall be subject to, the one sixth (1/6) limit applicable to the Contract Year to which such surrender or transfer is deferred.
- (b) Unless the Contract Owner gives the Company written direction otherwise, deferred surrenders and transfers shall be made in the order originally received.

## SECTION 7 - CONTRACT DISCONTINUANCE

This Contract shall be discontinued if

- (a) the Contract Owner gives written notice to the Company that the Contract is being discontinued, in which event the Date of Discontinuance shall be the later of (i) the first business day following the date on which such notice is received by the Company at its Home Office in Hartford, Connecticut, or (ii) the business day specified in such notice, or
- (b) no contributions are made to the Contract with respect to a Contract Year and the Company gives written notice to the Contract Owner that the Date of Discontinuance will occur as of the date specified in such notice, such date not to be earlier than thirty-one (31) days after the date such notice is mailed by the Company.

## Discontinuance After Five Years

Notwithstanding any provision of this Contract to the contrary, after five (5) completed Contract Years, the Company shall have the right, in accordance with its existing administrative practices and procedures, to pay all contract values in the Active Life Fund, without application of Contingent Deferred Sales Charges under the Contract, to the Contract Owner in full, provided that the Company gives the Contract Owner ninety (90) days advance written notice, and further provided that the Company takes the same action with respect to all contracts of the same class and risk characteristics

## SECTION 8 - EFFECT OF CONTRACT DISCONTINUANCE

On and after the Date of Discontinuance as defined in the Contract Discontinuance Provisions of Section 7, no contributions will be payable to, or accepted by, the Company. Notwithstanding any other provision of this Contract to the contrary, after the Date of Discontinuance, Contract values in the Active Life Fund shall be paid in accordance with paragraphs (a) and (b) of this Section 8

### (a) General Account Values

The total amount of all General Account values in the Active Life Fund under the Contract shall be reduced, as of the Date of Discontinuance, by any

- (1) Premium Taxes not previously deducted, and
- (2) Contingent Deferred Sales Charges as set forth in the Contract Specifications

The resulting amount shall be referred to as the "Balance at Discontinuance"

Notwithstanding any benefits which may be payable to Participants or beneficiaries under the terms of the Plan, including, but not limited to, benefits under the Plan on account of retirement, death, separation from service, or financial hardship, the Contract Owner specifically agrees that the Company has the absolute right to pay the Balance at Discontinuance in six (6) equal installments, plus any interest due, annually over a period of five (5) years. The Company shall pay the first such installment not later than thirty (30) days after the Date of Discontinuance. The remaining five installments, plus interest, shall be payable on each successive anniversary of the Date of Discontinuance

The Balance at Discontinuance shall be credited with interest at a rate of not less than three (3) percent per annum commencing on the Date of Discontinuance

### (b) Contract Funds Held Under the Separate Account(s)

As of the Date of Discontinuance, all Contract funds held under the Separate Accounts shall be reduced by any

- (1) Premium Taxes not previously deducted, and
- (2) Contingent Deferred Sales Charges as set forth in the Contract Specifications

The resulting amount shall be paid within seven (7) days following the Date of Discontinuance except as the Company may be permitted to defer payment under applicable law

## SECTION 9 - SETTLEMENT PROVISIONS

### (a) Termination of Contributions

After termination of contributions on behalf of a Participant prior to the specified Annuity Commencement Date, the Contract Owner may continue the Participant's Account in force under the Contract or notify the Company as to the manner in which the Termination Value of the Participant's Account is to be disbursed or applied in accordance with the terms of this Contract

### (b) Payment of Termination Value

When all or any part of the Termination Value invested in a Separate Account is taken by the Participant payment will be made within seven (7) days following the day the request is received in Good Order by the Company, except as the Company may be permitted to defer payment under the applicable federal law

### (c) Annuity Rights

"Annuity Rights" shall be provided under the Contract entitling the Contract Owner to have annuity payments made at the rates set forth in this Contract. Such rates will be made applicable to all amounts held in the Participant's Account during the Accumulation Period

### (d) Election of Annuity Option

The Annuity Commencement Date may be the first day of any month before or including the month of a Participant's 75th birthday, or such earlier date as applicable laws shall prescribe, but in the absence of a written election to the contrary, the Annuity Commencement Date shall be the first day of the month coincident with or next following the Participant's 75th birthday

Provision is made for both variable and fixed dollar annuity payments. The Contract Owner may elect to have the Termination Value of the Participant's Account applied on the Annuity Commencement Date under one of the annuity options described below, but in the absence of such election, the Termination Value of the Participant's Account will be applied, on the Annuity Commencement Date, under the Second Option to provide a life annuity with 120 monthly payments certain. The Termination Value of the Participant's Account for that portion invested in a Separate Account is determined on the basis of the Accumulation Unit value of the fifth business day preceding the Annuity Commencement Date

If elected by the Contract Owner, and agreed to by the Company, participant account values under a Related Contract may be transferred to this Contract for the purpose of effecting an annuity under one of the annuity options described below

Election of any of these options, including any election for an earlier Annuity Commencement Date, must be made by notice in writing to the Office of the Company in Hartford, Connecticut at least 30 days prior to the date such election is to become effective

### (e) Date of Payment

The first payment under any option shall be made on the first day of the next following calendar month, upon receipt of claim for settlement or on any other specified date, and subsequent payments shall be made periodically in accordance with the manner of payment elected on the first business day of the month in which a payment is due

(f) Termination after the Annuity Commencement Date

An Annuity effected under this Contract is irrevocable and may not be surrendered for its Termination Value after the commencement of annuity payments

(g) Allocation of Annuity

At the time election of one of the annuity options is made, the Contract Owner may further elect to have the Termination Value of the Participant's Account applied to provide a fixed dollar annuity, a variable annuity, or a combination of both. The election of an annuity payment option by a Participant may not result in a first payment that is less than \$20.00. If at any time Annuity payments are to become less than \$20.00, The Hartford has the right to change the frequency of payment to intervals that will result in payments of at least \$20.00. In the event a variable annuity option is elected and in the event that the portion of an Annuity payment which is based upon each investment allocation is less than 10.00, The Hartford has the right to change the frequency of payment to intervals that will result in payments from such investment allocation of at least 10.00.

**Fixed Dollar Annuity** - A fixed dollar annuity is an annuity with payments which remain fixed as to dollar amount throughout the payment period

**Variable Annuity** - A variable annuity is an annuity with payments decreasing or increasing in amount in accordance with the net investment result of the Sub-Account or Sub-Accounts in the Separate Account as described in "Valuation Provisions" at Section 5. After the first monthly payment for a variable annuity has been determined in accordance with the provisions of this Contract, a number of Annuity Units is determined by dividing that first monthly payment by the appropriate Annuity Unit value on the effective date of the annuity payments. Once variable annuity payments have begun, the number of Annuity Units remains fixed. The method of calculating the Annuity Unit value is described under Section 5, Valuation Provisions.

The dollar amount of the second and subsequent variable annuity payments is not predetermined and may decrease or increase from month to month. The actual amount of each variable annuity payment after the first is determined by multiplying the number of Annuity Units by the appropriate Annuity Unit value for each Sub-Account as described in the "Valuation Provisions", for the fifth business day preceding the date the annuity payment is due.

(h) Mortality and Expense Risk

The Company guarantees that the dollar amount of variable annuity payments will not be adversely affected by variations in the actual expenses incurred in providing and administering this Contract, or in the actual mortality experience of payees from the mortality assumption, including any age adjustments, used in determining the first monthly payment.

(i) Death of Participant or Beneficiary

(1) Death during the Accumulation Period In the event a Participant dies before his or her Annuity Commencement Date, a death benefit will be payable to the Beneficiary in an amount described in (A), (B) or (C) below, as applicable

(A) Death on or after age 65. If the Participant died on or after attaining age 65, the amount of the death benefit is the Termination Value of the Participant's Account under this Contract as of the date Due Proof of Death and a claim for payment are received in Good Order at the Administrative Offices of the Company.

- (B) Death prior age 65 If the Participant died prior to attaining age 65, the amount of the death benefit is the Minimum Death Benefit which is the greater of (I) the Termination Value of the Participant's Account under this Contract as of the date Due Proof of Death and a claim for payment are received in Good Order at the Administrative Offices of the Company, or (II) 100% of the contributions made to this Contract on behalf of that Participant, reduced by the dollar amount of any partial surrenders not repaid
- (C) Related Contracts If requested by the Contract Owner and agreed to by the Company, the Minimum Death Benefit described at (B) above will be determined by reference to the greater of (I) the Termination Value of the Participant's Account under this Contract plus the termination value of any account(s) of the Participant under any Related Contract(s), as of the date Due Proof of Death and a claim for payment are received in Good Order at the Administrative Offices of the Company, or (II) 100% of the contributions made on behalf of that Participant under this Contract and any Related Contract(s), reduced by the dollar amount of any partial surrenders from such contracts, not repaid The amount of any death benefit payable by reason of this paragraph (C) shall be offset by amounts payable under any Related Contract
- (2) The death benefit may be taken in one sum or under any of the settlement options available in the Company's variable annuities then being issued and will be paid to the Beneficiary Notwithstanding the foregoing, or any provision of this Section 9(i), payment of any account value held under a Related Contract shall be made from such Related Contract, except to the extent such amount, or portion thereof, is transferred to this Contract, with the consent of the Company, for the purpose of effecting one of the available settlement options under this Contract
- (3) When payment is taken in one sum, a variable payment will be made within 7 days after the date Due Proof of Death and a claim for payment are received in Good Order by the Company
- (4) Death during the Annuity Period In the event of the death of the Annuitant while receiving annuity payments, the present values of the current dollar amount on the date of death of any remaining guaranteed number of payments, will be paid in one sum to the Beneficiary unless other provisions shall have been made and approved by the Company In the case of the Separate Account, calculations for such present value of the guaranteed number of payments remaining will be based on assumed net investment rate of 4% per annum In the case of the General Account the net investment rate assumed will be the rate that is used by the Company to determine the amount of each certain payment The Annuity Unit value on the date of receipt of due proof of death shall be used for the purpose of determining such present value
- (j) Minimum Distributions  
Any distribution to a Participant under these Settlement Provisions shall be made in accordance with the provisions of the plan established by the Contract Owner, but in no event will such distribution be made at a time or in a method that fails to satisfy the requirements of section 457(d) of the Code, or any successor provision
- (k) Annuity Options  
FIRST OPTION - Life Annuity - An annuity payable monthly during the lifetime of the Annuitant, ceasing with the last payment due prior to the death of the Annuitant

**SECOND OPTION - Life or Joint Life and Last Survivor Annuity with 120, 180 or 240 Monthly Payments Certain** - An annuity providing monthly income to the Annuitant for a fixed period of 120 months, 180 months, or 240 months (as selected), and for as long thereafter as the Annuitant, or Joint Annuitants, as applicable, shall live

**THIRD OPTION - Unit Refund Life Annuity** - An annuity payable monthly during the lifetime of the Annuitant, ceasing with the last payment due prior to the death of the Annuitant, provided that, at the death of the Annuitant, the beneficiary will receive an additional payment of the then dollar value of the number of Annuity Units equal to the excess, if any, of (a) over (b) where (a) is the total amount applied under the option divided by the Annuity Unit value at the effective date of annuity payments and (b) is the number of Annuity Units represented by each payment multiplied by the number of payments made

**FOURTH OPTION - Joint and Last Survivor Life Annuity** - An annuity payable monthly during the joint lifetime of the Annuitant and a secondary Annuitant, and thereafter during the remaining lifetime of the survivor, ceasing with the last payment prior to the death of the survivor

**FIFTH OPTION- Payments for a Designated Period** - An amount payable monthly for the number of years selected which may be from 5 to 30 years

Any other payment options mutually agreed upon by the Company and the Contract Owner

## **SECTION 10 - ANNUITY RATES**

The rates applicable to the purchase of the immediate annuity options described above will be based on the following assumptions

Mortality 1983 Table a for Individual Annuity Mortality projected forward to the annuity commencement date using Projection Scale G

Interest 4 00%

AMOUNT OF FIRST MONTHLY PAYMENT  
FOR EACH \$1.000 APPLIED

Second and subsequent payments, when based on the experience of a Separate Account, are variable and are not guaranteed as to a fixed dollar amount

**FIRST, SECOND AND THIRD OPTIONS - SINGLE LIFE ANNUITIES**

<u>PAYEE'S AGE</u>	<u>LIFE ANNUITY</u>	<u>LIFE ANNUITY WITH 120 PAYMENTS CERTAIN</u>	<u>LIFE ANNUITY WITH 180 PAYMENTS CERTAIN</u>	<u>LIFE ANNUITY WITH 240 PAYMENTS CERTAIN</u>	<u>REFUND</u>
50	\$ 4.62	\$ 4.58	\$ 4.54	\$ 4.48	\$ 4.48
55	4.98	4.92	4.85	4.75	4.77
60	5.46	5.36	5.24	5.06	5.15
65	6.14	5.94	5.70	5.38	5.64
70	7.08	6.67	6.20	5.66	6.28

**FOURTH OPTION - JOINT AND LAST SURVIVOR ANNUITY**

<u>FIRST PAYEE'S AGE</u>	SECOND PAYEE'S AGE				
	<u>50</u>	<u>55</u>	<u>60</u>	<u>65</u>	<u>70</u>
50	\$ 4.16	\$ 4.26	\$ 4.36	\$ 4.43	\$ 4.49
55	4.26	4.41	4.54	4.67	4.76
60	4.36	4.54	4.74	4.92	5.09
65	4.43	4.67	4.92	5.19	5.45
70	4.49	4.76	5.09	5.45	5.83

**FIFTH OPTION - PAYMENTS FOR A DESIGNATED PERIOD**

<u>NUMBER OF YEARS</u>	<u>MONTHLY PAYMENT</u>
3	\$ 29.40
4	22.47
5	18.32
10	10.06
20	6.00

The monthly payment for any payment for any ages not shown above will be quoted upon request



**Hartford Life**

**ADMINISTRATIVE NOTICE  
FOR  
GROUP ANNUITY CONTRACT**

**(To be included as an attachment to your Group Annuity Contract effective October 24, 2001)**

**Re: Investment Options Available to  
Group Annuity Contract [REDACTED]**

I The following Investment Options are available under the aforementioned Group Annuity Contract

**Separate Account(s)**

The Separate Account(s) of the Company supporting the Contract are entitled Separate Account 457

The various Separate Account 457 Sub-Accounts under this Contract and the corresponding investment Funds for each Sub-Account are as follows

<b>Investment Option Sub-Accounts In Group "A"</b>	<b><u>Based on</u></b>
Hartford Bond HLS	Hartford Bond HLS Fund, Inc
Hartford Stock HLS	Hartford Stock HLS Fund, Inc
Hartford Money Market HLS	Money Market HLS Fund, Inc
Hartford Advisers HLS	Hartford Advisers HLS Fund, Inc
Hartford Mortgage Securities HLS	Hartford Mortgage Securities HLS Fund, Inc
Hartford Index HLS	Hartford Index HLS Fund, Inc
Hartford Dividend & Growth HLS	Hartford Dividend & Growth HLS Fund, Inc
Hartford Small Company HLS	Hartford Small Company HLS Fund, Inc
Hartford Midcap HLS	Hartford Midcap HLS Fund, Inc
Hartford Global Technology HLS	Hartford Global Technology HLS Fund, Inc
Hartford Global Health HLS	Hartford Global Health HLS Fund, Inc
Hartford Capital Appreciation HLS	Hartford Capital Appreciation HLS Fund, Inc



Hartford Life

ADMINISTRATIVE NOTICE  
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<u>Investment Option Sub-Accounts</u> <u>In Group "A"</u>	<u>Based on</u>
Hartford Bond HLS	Hartford Bond HLS Fund, Inc
Hartford Stock HLS	Hartford Stock HLS Fund, Inc
Hartford Money Market HLS	Money Market HLS Fund, Inc
Hartford Advisers HLS	Hartford Advisers HLS Fund, Inc
Hartford Mortgage Securities HLS	Hartford Mortgage Securities HLS Fund, Inc
Hartford Index HLS	Hartford Index HLS Fund, Inc
Hartford Dividend & Growth HLS	Hartford Dividend & Growth HLS Fund, Inc
Hartford Small Company HLS	Hartford Small Company HLS Fund, Inc
Hartford Midcap HLS	Hartford Midcap HLS Fund, Inc
Hartford Global Technology HLS	Hartford Global Technology HLS Fund, Inc
Hartford Global Health HLS	Hartford Global Health HLS Fund, Inc
Hartford Capital Appreciation HLS	Hartford Capital Appreciation HLS Fund, Inc

Investment Option Sub-Accounts  
In Group "B"

American Century Ultra  
Putnam Vista  
American Century Income & Growth  
Janus Capital Appreciation  
Janus Adviser Worldwide  
Janus Adviser International  
American Century International Growth  
Putnam Global Growth  
Invesco Small Company Growth  
Janus Enterprise  
American Century Equity Income  
MFS Massachusetts Investors Growth Stock  
Dreyfus Premier Third Century  
MFS Capital Opportunities  
Janus Balanced  
MFS High Income  
Dreyfus Premier Core Bond  
Dreyfus Life Time Growth  
Dreyfus Life Time Growth & Income  
Dreyfus Life Time Income  
Invesco Technology  
Invesco Telecommunications  
Invesco Financial Services  
Invesco Leisure  
MFS Utilities  
Franklin Small-Mid Cap Growth

American Century Ultra Investors Fund  
Putnam Vista Fund  
American Century Income & Growth Fund  
Janus Capital Appreciation Fund  
Janus Adviser Worldwide Fund  
Janus Adviser International Fund  
American Century International Growth Fund  
Putnam Global Growth Fund  
Invesco Small Company Growth Fund  
Janus Enterprise Fund  
American Century Equity Income Fund  
MFS Massachusetts Investors Growth Stock Fund  
Dreyfus Premier Third Century  
MFS Capital Opportunities Fund  
Janus Balanced Fund  
MFS High Income Fund  
Dreyfus Premier Core Bond Fund  
Dreyfus Life Time Growth Fund  
Dreyfus Life Time Growth & Income Fund  
Dreyfus Life Time Income  
Invesco Technology Fund  
Invesco Telecommunications Fund  
Invesco Financial Services Fund  
Invesco Leisure Fund  
MFS Utilities  
Franklin Small-Mid Cap Growth Fund

II This Administrative Notice forms a part of, and should be kept with your Group Annuity Contract

III The Effective Date of this Administrative Notice is October 24, 2001

Signed for Hartford Life Insurance Company by



Christine Hayer Repasy, Secretary



Thomas M. Marra, President

**HARTFORD LIFE INSURANCE COMPANY  
HARTFORD, CONNECTICUT**  
(A stock insurance company herein called the Company)

**Group Annuity Contract**

This Contract make provision for the accumulation of contract values in the General Account of the Company to provide fixed annuity accumulation and benefits and in the Separate Accounts of the Company to provide variable annuity accumulations and benefits. Actual annuity payout commencing on the Annuity Commencement Date may be on a variable basis (Separate Account) and/or on a fixed basis (General Account) as determined by the Contract Owner.

ALL PAYMENTS AND VALUES PROVIDED BY THIS CONTRACT, WHEN BASED ON INVESTMENT EXPERIENCE OF A SEPARATE ACCOUNT, ARE VARIABLE AND ARE NOT GUARANTEED AS TO FIXED DOLLAR AMOUNT

**NONPARTICIPATING**

GROUP ANNUITY CONTRACT





**NATIONWIDE LIFE INSURANCE COMPANY  
ONE NATIONWIDE PLAZA  
COLUMBUS, OHIO 43215**

**Nationwide Life Insurance Company is a Stock Life Insurance Company organized under the laws of the State of Ohio.**

**NATIONWIDE LIFE INSURANCE COMPANY** ("Nationwide") will provide the benefits described in the Contract. The Contract is issued by Nationwide in consideration of the application and Purchase Payment(s) made by:

**COLLIER COUNTY SHERIFF**, for the exclusive benefit of its Participants and their beneficiaries, (the "Contract Owner").

Effective Date of Contract: December 31, 2006

Issue Date of Contract: October 4, 2006

Jurisdiction: Florida

The Contract Owner accepts the Contract, subject to all its terms and conditions as set forth in this document as well as any endorsements or amendments.

Executed for Nationwide on the "Effective Date of Contract" by:

A handwritten signature in black ink, appearing to read "John S. Smith".

Secretary

A handwritten signature in black ink, appearing to read "Mark R. Frank".

President

**GROUP FLEXIBLE PURCHASE PAYMENT  
DEFERRED VARIABLE ANNUITY CONTRACT  
Non-Participating**

**ALL VALUES UNDER THE CONTRACT ARE BASED ON THE INVESTMENT EXPERIENCE OF A VARIABLE ACCOUNT, MAY INCREASE OR DECREASE IN VALUE BASED ON CHANGES TO THE NET INVESTMENT FACTOR, AND ARE NOT GUARANTEED AS TO FIXED DOLLAR AMOUNT UNLESS OTHERWISE SPECIFIED.**



## **CONTRACT SPECIFICATIONS PAGES**

**Contract Owner:**

COLLIER COUNTY SHERIFF, for the exclusive benefit of its Participants and their beneficiaries.

**Contract Owner's Address:**

3301 TAMAMI TRL E BLDG J  
NAPLES FL 341124902  
Attention: CAROL GOLIGHTLY

**Nationwide's Address:**

Nationwide Life Insurance Company  
5900 Parkwood Road, PW-01-10  
Dublin, Ohio 43016  
Attn: VP - Public Sector Finance and Actuarial

**Plan:**

COLLIER COUNTY SHERIFF Section 457 Deferred Compensation Plan

**Record-Keeper:**

N/A

**Variable Account(s):**

National Assoc. of Counties Variable Annuity

**Processing of Purchase Payments:**

Purchase Payments will be applied to the Contract by Nationwide within one (1) business day(s) of receipt in good order.

**Contract Expenses**

Variable Account Charge:

Maximum Charge 0.95%

For Sub-Accounts Identified as Investor Destinations on the Application 0.45%

For Sub-Accounts Identified as Select Spectrum on the Application 0.55%

Minimum Charge Reduction For Plans with Assets Between \$10,000,001 and \$25,000,000\* 0.10%

Minimum Charge Reduction For Plans with Assets Between \$25,000,001 and \$50,000,000\* 0.15%

Minimum Charge Reduction For Plans with Assets Between \$50,000,001 and \$100,000,000\* 0.15%

Minimum Charge Reduction For Plans with Assets Between \$100,000,000 and greater\* 0.15%

\*For purposes of calculating the maximum charge, Plan assets are evaluated at least annually and no later than December 31st of each calendar year. The reductions are non-cumulative, that is each break-point is a total break-point, so the charge reduction is not added in addition to any lower level break-point reductions. If a break-point threshold is reached, Nationwide will apply the charge reduction within a

reasonable period of time, but not later than six (6) months after the date assets are evaluated.

Fixed Account Charge:	N/A
Contract Maintenance Charge:	N/A
Participant Account Charge:	N/A
<b><u>Fixed Account:</u></b>	Available
Exchange/Transfer Limitation Elected:	Combined per Participant Exchange and Transfer limitation of 20% of the Participant's Account value allocated to the Fixed Account with a combined maximum number of outgoing Exchanges and Transfers per Participant of 2 per year. A Participant is required to wait a minimum of 60 days between each Exchange and/or Transfer.
Guaranteed Minimum Fixed Account Interest Rate:	3.5%

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## **DEFINITIONS**

**Business Day** - Each day the New York Stock Exchange and Nationwide's home office are open for business or any other day during which there is a sufficient degree of trading of the Sub-Accounts of the Variable Account that the current net asset value of its Units might be materially affected.

**Companion Investment Option(s)** - Another investment option under the Plan. This may include other investment contracts and options offered by Nationwide or by another provider.

**Contract** - The terms, conditions, benefits and rights of the group variable annuity described in this document, as well as any endorsements, amendments and the application form.

**Contract Anniversary** - Beginning with the "Effective Date of Contract," each recurring one-year anniversary of the "Effective Date of Contract" during which the Contract remains in force.

**Contract Owner** - The entity identified on the face page of the Contract and the "Contract Specifications Pages" as the Contract Owner.

**Contract Value** - The combined value of the Sub-Accounts of the Variable Account.

**Exchange** - The movement of amounts attributable to Participant Accounts to a Companion Investment Option under the Plan or from one or more Sub-Accounts of the Variable Account to one or more Sub-Accounts of the Variable Account.

**Nationwide** - Nationwide Life Insurance Company.

**Participant** - An employee or independent contractor who is eligible to be a part of the Plan and is entitled to benefits under the Plan. The Contract Owner, or its designated representative, determines eligibility to participate in the Plan.

**Participant Account** - An individual account established for a Participant under the Plan. A Participant Account will record all transactions attributable to the Plan on behalf of the Participant or the Participant directly, if permitted by the Plan. This includes, but is not limited to, Participant Contributions, Exchanges and Transfers and investment experience.

**Participant Account Value** - The present value of the Units attributable to a Participant's Account.

**Participant Benefit Payments** - All payments of benefits that result from a Participant's retirement, termination of employment, or any payment that a Participant is entitled to based on the terms of the Plan. Participant Benefit Payments specifically exclude all employer and/or Contract Owner initiated Withdrawals.

**Participant Contributions** - A portion of a Purchase Payment attributable to a Participant's election to contribute money to the Plan.

**Plan** - The employer sponsored retirement plan or tax deferred arrangement specified on the "Contract Specifications Pages."

**Purchase Payment(s)** - New money deposited into the Contract by the Contract Owner. Unless otherwise agreed to in writing, Nationwide only accepts Purchase Payments in the currency of the United States of America.

**Retired Participant** - A Participant that has severed his or her employment with the employer covered by the Plan and is eligible to receive distribution from his or her Participant Account.

**SEC** - The United States Securities and Exchange Commission or any successor federal authority charged with the regulation of securities.

**Sub-Account(s)** - Divisions of the Variable Account corresponding to Underlying Investment Options where Units are maintained separately.

**Transfer(s)** - The movement of amounts attributable to Participant Accounts to a non-Companion Investment Option.

**Underlying Investment Option(s)** - The investment corresponding to a Sub-Account of the Variable Account. These options, to the extent permitted by law, may include: (1) registered or unregistered mutual funds offered by Nationwide or a third-party; (2) managed separate account options offered by Nationwide or one of its affiliates; or (3) any other investment vehicle Nationwide chooses to offer.

**Unit** - An accounting unit of measure used to calculate the value of the Sub-Account of the Variable Account.

**Unit Value(s)** - The dollar value attributed to each Unit. This value increases or decreases based on the investment experience of the corresponding Sub-Account.

**Variable Account** - A separate investment account of Nationwide into which Purchase Payments are allocated.

**Withdrawal(s)** - A liquidation and payment of part or all of the Contract Value directed by the Contract Owner. References to "Withdraw" and "Withdrawn" shall also mean Withdrawal.

**Withdrawal Value** - The value of a partial or full liquidation of assets from the Contract. This represents the Contract Value on the date of Withdrawal minus any applicable charges stated on the "Contract Specifications Pages."

## **GENERAL PROVISIONS**

### **Entire Contract**

The Contract, and any endorsements or amendments, constitutes the entire agreement between Nationwide and the Contract Owner.

### **Non-Participating**

The Contract is non-participating. It does not share in the surplus of Nationwide.

### **Incontestability**

The Contract will not be contested by Nationwide.

### **Assignment**

The Contract may not be assigned by the Contract Owner without the prior written consent of Nationwide.

### **Communication**

All communications described in the Contract between the Contract Owner and Nationwide must be in writing and must be delivered to the respective parties' address listed on the "Contract Specifications Pages." Any change of address by any party to the Contract must be communicated in writing to the other party.

## **Alteration or Modification**

No agent or other person, except an authorized elected officer of Nationwide or specifically authorized designate, has the authority to change the terms and conditions of the Contract. Any changes to the Contract must be made in writing and signed by Nationwide's President or Secretary. A copy of any amendment or endorsement modifying the Contract will be furnished to the Contract Owner. Amendments and endorsements to the Contract may be subject to state regulatory approval before taking effect. In addition, the Contract may be modified or superseded by applicable law.

Nationwide may amend the Contract by providing the Contract Owner ninety (90) days advanced written notice. The Contract Owner will receive any amendment or endorsement to the Contract. In addition, Nationwide and the Contract Owner may mutually agree to amend the Contract.

In the event any modifications to the charge structures, contact information or elections stated on the "Contract Specifications Pages" are made, Nationwide will provide updated "Contract Specifications Pages" to the Contract Owner. The new "Contract Specifications Pages" will supersede the existing pages on the effective date of the change.

## **Plan Amendment**

Unless otherwise provided, the Contract Owner will notify Nationwide at least thirty (30) days prior to the effective date of any of the following events:

1. amendment or modification of the Plan that may materially affect Nationwide's obligations hereunder;
2. change in the administrative practices adhered to by the Plan that may materially affect Nationwide; and
3. change in the investment options offered by the Plan, including addition of investment options or alteration and/or modification of investment options.

The Plan is not a part of this Contract. Nationwide's rights and obligations are governed by the Contract.

Notwithstanding the foregoing, Nationwide may amend the Contract when, in the opinion of Nationwide, an amendment is necessary to comply with the action of any legislative, judicial, or regulatory body which impacts the Contract. In the event such amendments to the Contract cause an adverse financial impact to the Plan, the Contract may be terminated by the Contract Owner in accordance with the Termination provision of the Contract.

The Contract Owner may amend the Plan when, in the opinion of the Contract Owner, an amendment is necessary to comply with the action of any legislative, judicial or regulatory body which impacts the Plan. In the event such amendments to the Plan cause an adverse financial impact to Nationwide, the Contract may be terminated by Nationwide in accordance with the Termination provision of the Contract.

## **Number**

Unless otherwise provided, all references in this Contract in the singular form will include the plural; all references in the plural form will include the singular.

## **CONTRACT EXPENSES**

Nationwide will deduct the applicable charges described herein, as stated on the "Contract Specifications Pages."

Contract expenses are negotiated between Nationwide and the Contract Owner based on a multitude of factors, including, but not limited to, the number of Participants covered by the Contract, the size of Plan assets, the overall expense structure of the Plan, and how the Contract Owner wants expenses distributed. The expenses described herein are deducted from Participant Accounts.

### **Variable Account Charge**

The “Variable Account Charge” is assessed against the assets held in the Variable Account each Business Day and is listed on the “Contract Specifications Pages” on a nominal basis. To determine the daily “Variable Account Charge,” the charge is divided by the number of days in the year. Because the charge is assessed each Business Day, charges from multiple non-Business Days (e.g., days falling on a weekend or holidays) are accumulated and deducted on the next available Business Day.

The “Variable Account Charge” compensates Nationwide for expenses associated with issuing and maintaining the Contract, including Participant Accounts, as well as any risks Nationwide assumes in issuing the Contract.

Nationwide may offer a lower “Variable Account Charge” to certain identified groups of Sub-Accounts and in instances where assets attributable to the Plan that are held under the Contract reach defined thresholds. These tiered “Variable Account Charges,” if any, are listed on the “Contract Specifications Pages.”

### **Contract Maintenance Charge**

Nationwide may assess a “Contract Maintenance Charge” against the assets of the Variable Account. The “Contract Maintenance Charge” is a flat-dollar fee assessed against the assets of the Variable Account. If this charge is assessed by Nationwide, the amount and frequency is stated on the “Contract Specifications Pages.” Unless otherwise agreed to by Nationwide in writing, the Contract Owner will determine how this charge is to be allocated and deducted from Participant Accounts.

### **Participant Account Charge**

Nationwide may assess a “Participant Account Charge” against each Participant Account. The “Participant Account Charge” is a flat-dollar fee. If this charge is assessed by Nationwide, its amount and frequency are stated on the “Contract Specifications Pages.”

The “Participant Account Charge” will be assessed proportionally from each Sub-Account in which a Participant is invested.

### **Plan Expenses and Additional Service Fees**

The Contract Owner may decide to deduct expenses associated with the Plan or fees associated with additional services provided to Participants from assets held under the Contract. Nationwide will deduct these expenses or fees by canceling the appropriate number of Units of each Sub-Account or by some other method mutually agreed to by the parties. The Contract Owner must notify Nationwide in writing of the amount to be deducted for Plan expenses and how these deductions will be apportioned among the Sub-Accounts of each Variable Account and/or Participant Accounts.

### **Additional Expense Charges**

If the Contract Owner requests Nationwide to perform additional services related to the Contract, but not specifically described herein, then Nationwide may assess charges for such services rendered against the assets held in the Variable Account. Nationwide will deduct these charges by canceling Units of each Sub-Account or by some other method mutually agreed to by the parties. Nationwide and the Contract Owner will agree in writing, and in advance, to the amount of charges associated with the additional services described herein and how these deductions will be apportioned among the Sub-Accounts of each Variable Account and/or Participant Accounts.

### **Premium Taxes**

Nationwide will deduct from the Contract the amount of any premium taxes levied by a state or any other government entity upon Purchase Payments received by Nationwide. The method used to recoup premium taxes will be determined by Nationwide at its sole discretion and in compliance with applicable state law.

## **THE VARIABLE ACCOUNT**

### **General Information Regarding the Variable Account**

Nationwide may make available one or more Variable Accounts to the Contract Owner. The Variable Account(s) are stated on the "Contract Specifications Pages."

Variable Account(s) are segregated investment accounts of Nationwide. All assets of the Variable Account(s) remain the property of Nationwide, but are not charged with the liabilities from any other of its businesses. Income, gains and losses of the Variable Account(s) reflect their own investment experience and not the investment experience of Nationwide.

Each Variable Account may offer various Underlying Investment Options, each being a Sub-Account of the Variable Account. The Contract Owner, or Participant if permitted by the Plan, may allocate Purchase Payments to any of the available Sub-Accounts of the Variable Account(s). Purchase Payments allocated to the Sub-Accounts are subject to any terms and/or conditions imposed by the corresponding Underlying Investment Options.

The initial Sub-Accounts to be made available under the Contract are specified on the application.

### **Determining the Variable Account Value or Participant Account Value**

The value of the Variable Account or an individual Participant Account on a given Business Day is determined by: (1) multiplying the Unit Value of the current Business Day of each Sub-Account of the Variable Account or Participant Account by the number of Units in that Sub-Account held by the Variable Account as of the current Business Day and (2) adding the values of all the Sub-Accounts of the Variable Account or an individual Participant Account.

Charges assessed by the Underlying Investment Options, as well as the "Variable Account Charge," are deducted each day when calculating the Unit Value. When a Sub-Account is established, the Unit Value is initially set at \$1 per unit. The Unit Value of the Sub-Account fluctuates based on the investment performance of the corresponding Underlying Investment Option. Investment experience is not tied to the number of Units, but rather, the value of the Units. Units of a Sub-Account are added by Purchase Payment and Exchange or Transfer allocations. Units of a Sub-Account are subtracted by any Withdrawals, Exchanges to other Sub-Accounts, outgoing Transfers, Participant Benefit Payments or charges described in the "Contract Expenses" section (except the "Variable Account Charge").

The investment performance of a Sub-Account is determined by the net investment factor. The net investment factor is determined by dividing (a) by (b) and subtracting (c) from the result where:

- (a) is the net asset value for the current Business Day of the Underlying Investment Option corresponding to the Sub-Account (plus any dividend or income distributions made by such Underlying Investment Option);
- (b) is the net asset value of the Underlying Investment Option determined as of the preceding Business Day; and
- (c) is a factor representing the daily "Variable Account Charge" (determined by taking the "Variable Account Charge" and dividing it by the number of days in the current calendar year).

If the net investment factor is multiplied by the preceding Valuation Period's Unit Value, the result will be the current Valuation Period's Unit Value. If the net investment factor is greater than one, the Unit Value increases. If the net investment factor is less than one, the Unit Value decreases.

## **Substitution of Securities**

If an Underlying Investment Option is no longer available for investment by a Variable Account or if, in the judgment of Nationwide's management, further investment in such Underlying Investment Option would be inappropriate in view of the purposes of the Contract, Nationwide may substitute another Underlying Investment Option for an Underlying Investment Option already purchased or to be purchased in the future by Purchase Payments under the Contract.

In the event of a substitution or change, and when required by law, Nationwide may make changes to the Contract and other contracts of this class by appropriate endorsement as may be necessary to reflect the substitution or change. Nothing contained in the Contract will prevent the Variable Accounts from purchasing other securities for other series or classes of contracts or from effecting a conversion between series or classes of contracts on the basis of requests made individually by owners of such contracts.

## **PURCHASE PAYMENTS**

### **Acceptance of Purchase Payments**

Purchase Payments, representing Participant Contributions or other Plan contributions on behalf of Participants to Participant Accounts, are accepted by Nationwide at the address listed on the "Contract Specifications Page." Nationwide will only accept Purchase Payments denominated in the currency of the United States of America. Nationwide may accept Purchase Payments in another manner, such as securities in-kind, subject to the following.

- (1) The Contract Owner provides advance notice to Nationwide and any specific information requested by Nationwide regarding the nature of the Purchase Payment; and
- (2) Nationwide provides its written consent to accept the Purchase Payment.

### **Processing of Purchase Payments**

Purchase Payments will be applied to the Contract as described on the "Contract Specifications Page." If the allocation of the Purchase Payment is not identified by the Contract Owner concurrent with Nationwide's receipt of the Purchase Payment or if the Purchase Payment is lacking any other supporting information reasonably necessary for Nationwide to process the Purchase Payment, Nationwide may return the Purchase Payment to the Contract Owner, without any further liability on the part of Nationwide.

### **Crediting and Recapture**

To the extent permitted by law, Nationwide may credit additional amounts to the initial Purchase Payment by mutual agreement of Nationwide and the Contract Owner. Typically, these credits are done at the request of the Contract Owner and are designed to cover expenses incurred by the Contract Owner upon leaving a previous investment provider. Nationwide anticipates recouping these expenses over time through the "Variable Account Charge." In the event the Contract is terminated prior to recouping the costs associated with providing these credits, Nationwide will subtract the remaining unrecouped expenses associated with these credits from the Withdrawal Value.

## **PARTICIPANT ACCOUNTS**

Nationwide is responsible for maintaining Participant Accounts under the Contract but may delegate this duty to a third-party. Any third-party maintaining Participant Accounts will be identified on the "Contract Specifications Pages" as the "Record-Keeper."

## **General Information Regarding Participant Accounts**

Nationwide will establish a Participant Account for each Participant making Participant Contributions to the Contract. The Participant Account will record the financial transactions made by the Contract Owner, or Participant if permitted by the Plan. These financial transactions include, Exchanges, Transfers, Participant Contributions, and Participant Benefit Payments. Contract expenses are deducted from each Participant Account.

### **Exchanges Among the Sub-Accounts of a Participant Account**

The Contract Owner, or Participant if permitted by the Plan, may Exchange amounts attributable to a Participant Account among the Sub-Accounts of the Variable Account. Nationwide will process Exchange requests within one (1) Business Day of the date the request is received in good order and accepted by Nationwide from the Contract Owner, or Participant if permitted by the Plan, subject to the limitations described in the "Limitations on Exchanges and Transfers" section below.

Nationwide completes an Exchange request by canceling the number of Units of the Sub-Account from which the Exchange is requested and adding Units to the Sub-Account into which Exchanged amounts are requested to be allocated. The number of Units cancelled is equal to the dollar amount of the Exchange request divided by the Unit Value calculated as of the close of business on the Business Day that the Exchange is processed. The number of Units added is equal to the dollar amount of the Exchange request divided by the Unit Value calculated as of the close of business on the Business Day that the Exchange is processed. The close of business is considered to be the time that the New York Stock Exchange closes, normally 4:00 p.m. Eastern Time, or any other time required to comply with closure rules established by any applicable regulatory body, such as the SEC.

### **Exchanges with a Companion Investment Option**

In order for Nationwide to accept Exchanges to or from a Companion Investment Option, the Contract Owner must identify the Companion Investment Option to Nationwide in writing and Nationwide must agree to accept Exchanges to or from the identified Companion Investment Option. Nationwide may discontinue accepting Exchanges to or from a Companion Investment Option at any time by giving the Contract Owner at least thirty (30) days advance written notice.

If Exchanges to a Companion Investment Option are agreed to by the Contract Owner and Nationwide, then Nationwide will process an outgoing Exchange from the Sub-Account of the Variable Account within one (1) Business Day of the date the Exchange request is received in good order and accepted by Nationwide from the Contract Owner, or Participant if permitted by the Plan, subject to the limitations described in the "Limitations on Exchanges and Transfers" section below.

Nationwide completes an Exchange request by canceling the number of Units of the Sub-Account from which the Exchange is requested. The number of Units cancelled is equal to the dollar amount of the Exchange request divided by the Unit Value calculated as of the close of business on the Business Day that the Exchange is processed. The dollar amount of the Exchange is then transmitted by Nationwide to the Companion Investment Option. Nationwide is not responsible for the processing of the Exchange by the receiving Companion Investment Option (unless it is a Nationwide contract or other Nationwide offering). The close of business is considered to be the time that the New York Stock Exchange closes, normally 4:00 p.m., Eastern Time, or any other time required to comply with closure rules established by any applicable regulatory body, such as the SEC.

### **Transfers**

Nationwide will permit amounts attributable to Participant Accounts to be Transferred if the Transfer is initiated at the request of the Participant.

Nationwide processes Transfer requests within seven (7) Business Days of the date the request is received and accepted by Nationwide from the Contract Owner on behalf of the Participant, or directly from the Participant if permitted by the Plan, subject to the limitations described in the "Limitations on Exchanges and Transfers" section below. Nationwide may require Transfer requests to be on a form it provides.

Nationwide completes a Transfer request by canceling the number of Units of the Sub-Account from which the Transfer is requested. The number of Units cancelled is equal to the dollar amount of the Transfer request divided by the Unit Value calculated as of the close of business on the Business Day that the Transfer is processed. The close of business is considered to be the time that the New York Stock Exchange closes, normally 4:00 p.m. Eastern Time, or any other time required to comply with closure rules established by any applicable regulatory body, such as the SEC.

### **Limitations on Exchanges and Transfers**

Exchanges and Transfers may be subject to any of the limitations and/or fees imposed on such transactions by the Underlying Investment Options. In addition, Exchanges and Transfers are subject to any rules and regulations imposed by the SEC or any other applicable laws, rules or regulations.

Nationwide may refuse, limit or otherwise restrict Exchange and Transfer requests, or take any other reasonable action it deems necessary to protect the Contract Owner, Participants and Retired Participants from short-term trading strategies or other harmful investment practices that negatively impact Underlying Investment Option performance.

Nationwide's failure to take action in any one or more instances with respect to the preceding restrictions is not, nor is it to be construed or deemed as, a further or continuing waiver of its right to enforce them.

### **Emergencies and Market Closure**

Situations may arise where the New York Stock Exchange or other stock exchanges are closed for short or extended periods of time. As a result, transaction activity and requests impacting the Contract and Participant Accounts may be impossible to perform. In such situations, Nationwide will comply with any emergency rules or regulations enacted by the governing authority (normally the SEC).

## **PARTICIPANT BENEFIT PAYMENTS**

### **Retirement Income Payment Options**

Nationwide agrees to make the following payment schedules and annuity options available to Retired Participants on a fixed and variable basis. Payment frequencies available under these income payment options are monthly, quarterly, semi-annual and annual. All variable annuity payments involving life contingencies will be calculated using an assumed investment return of 3.5% or 5.0% depending on the election of the Contract Owner, or Retired Participant if the Plan so provides. If no election is made, the default assumed investment return used will be 3.5%.

- (1) Payments of a Designated Amount - This payment schedule option represents a systematic liquidation of the Participant Account by taking a specified dollar amount at a determined frequency.
- (2) Payments of a Designated Period - This payment schedule option represents a systematic liquidation of the Participant Account by taking payments over a specific period of time at a determined frequency.
- (3) Life Income - This annuity payment provides the Retired Participant with payment contingent exclusively on his or her continuation of life. Payments are calculated using current annuity purchase rates and methods.
- (4) Life Income with Payment Certain (5, 10, 15, and 20 Years) - This annuity payment option provides the Retired Participant with payment contingent on his or her continuation of life, but with a guarantee that at least a minimum pre-determined duration of payments are received by the Retired Participant and any named beneficiaries of the Retired Participant, regardless of the mortality of the Retired Participant. Payments are calculated using current annuity purchase rates and methods.

- (5) Joint and Last Survivor Life Income - This annuity payment option allows the Retired Participant and another named individual to receive payments guaranteed throughout their lives. Payments cease upon the last "survivor's" death. Nationwide may also permit Joint and Last Survivor annuities with payment reductions after the first death. Payments are calculated using current annuity purchase rates and methods.
- (6) Any Other Option - Nationwide may make any other payment plans available upon agreement of the Contract Owner and Nationwide. Additional annuity payment options made available by Nationwide will be calculated using current annuity purchase rates and methods.

### **Death of Participant**

If a Participant dies prior to severance of employment with the Contract Owner, the beneficiary(ies) of the Participant will receive a death benefit equal to the Participant's Account Value on the date Nationwide receives a written request (on a form provided by Nationwide) and proof of the Participant's death. Distribution of a death benefit representing the Participant Account proceeds will be done in a manner consistent with the requirements of the Plan.

### **Death of Retired Participant**

If a Retired Participant dies prior to the beginning of payments, the beneficiary(ies) of the Retired Participant will receive a death benefit equal to the Participant's Account Value on the date Nationwide receives a written request (on a form provided by Nationwide) and proof of the Participant's death. Distribution of a death benefit representing the Participant Account proceeds will be done in a manner consistent with the requirements of the Plan.

If a Retired Participant dies after an income payment option has begun, the beneficiary(ies) of the Retired Participant will receive either: (1) the remaining scheduled payments under an annuity payment option or any commuted value assuming such commuted value is allowed under the annuity payment option; or (2) the remaining scheduled payments under a systematic liquidation or a lump-sum of the present Participant Account Value.

### **Involuntary Cash-Outs of Participant Accounts**

Under circumstances permitted by the Plan (such as low Participant Account Value), Nationwide may pay to a Participant or Retired Participant the balance of his or her Participant Account in a lump-sum in-lieu of retaining such Participant Account or making available any payment schedules or annuity payment options. Any involuntary payment to the Participant described herein will be done in a manner consistent with applicable law.

### **Misstatement of Age or Gender**

In the event the age or gender of any Participant or Retired Participant has been misstated, Nationwide may adjust the Participant or Retired Participant's age or gender of record to comport with the proper age or gender. Nationwide may also request proof of age in the form of a birth certificate prior to making any annuity payments.

### **Other Participant Benefit Payments**

The Contract Owner, or Participant if permitted by the Plan, may request any other Participant Benefit Payment permitted under the Plan.

## **TERMINATION AND WITHDRAWALS**

In the event Nationwide provides annuity payment options to Retired Participants, notwithstanding anything in the Contract to the contrary, including contract termination, Nationwide will retain the assets attributable to Retired Participants that are receiving annuity payments from Nationwide.

### **Termination by the Contract Owner**

The Contract Owner may terminate the Contract at any time by notifying Nationwide in writing. Once Nationwide receives the notice to terminate, the full Withdrawal Value will be paid to the Contract Owner in one-hundred and twenty (120) days (“effective date of termination”). Thirty (30) days following Nationwide’s receipt of the written notification to terminate, Nationwide will no longer accept any additional Purchase Payments to the Contract, except by mutual agreement with Contract Owner. The Contract Owner and Nationwide may agree to payment of the Withdrawal Value in any other mutually agreeable manner consistent with applicable law. The Withdrawal Value will be subject to any remaining charges specified on the “Contract Specifications Pages.” Upon payment of the Withdrawal Value, Nationwide and the Contract Owner will be relieved of any additional responsibilities under the Contract. However, if an Underlying Investment Option cannot reasonably liquidate amounts on the effective date of termination, Nationwide may deliver in addition to cash any unliquidated securities held by the Underlying Investment Option that could not reasonably be liquidated.

### **Termination by Nationwide**

Nationwide may terminate the Contract at any time by notifying the Contract Owner in writing. Once the Contract Owner receives the notice to terminate, the full Withdrawal Value will be paid to the Contract Owner in one-hundred and twenty (120) days (“effective date of termination”). Thirty (30) days following the Contract Owner’s receipt of the written notification to terminate, Nationwide will no longer accept any additional Purchase Payments to the Contract, except by mutual agreement with the Contract Owner. The Contract Owner and Nationwide may agree to payment of the Withdrawal Value in any other mutually agreeable manner consistent with applicable law. The Withdrawal Value will be subject to any remaining charges specified on the “Contract Specifications Pages.” Upon payment of the Withdrawal Value, Nationwide and the Contract Owner will be relieved of any additional responsibilities under the Contract. However, if an Underlying Investment Option cannot reasonably liquidate amounts on the effective date of termination, Nationwide may deliver, in addition to cash, any unliquidated securities held by the Underlying Investment Option that could not reasonably be liquidated.

### **Recapture of Acquisition Expenses**

If Nationwide has provided any additional credits to the initial Purchase Payment that have not been recouped upon termination, Nationwide will deduct any unrecouped expenses associated with such credits from the Withdrawal Value.

## NATIONAL ASSOCIATION OF COUNTIES DEFERRED COMPENSATION PROGRAM

### PARTICIPANT LOAN ADMINISTRATIVE PROCEDURES

Nationwide Retirement Solutions, Inc. ("NRS"), as Third Party Administrator of the National Association of Counties Deferred Compensation Program, administers your Deferred Compensation Plan for Public Employees ("Plan"). Recently issued proposed regulations under Internal Revenue Code Section 457 provide that eligible governmental 457(b) plans may permit loans to Participants. NRS recommends that you, as Plan Sponsor and/or Employer (hereinafter collectively referred to as "Plan Sponsor"), consult with your own legal advisor in determining whether you wish to add this optional feature to your Plan.

In the event that you decide to offer loans from your Plan to Participants, you will need to return to NRS at Nationwide Retirement Solutions, PO Box 182797, Columbus OH 43272-8450, Attn: Loans Administrator a fully executed original of this document and a fully executed original of the enclosed Plan Document Amendment. NRS cannot begin processing Participant loans from your Plan until it receives fully executed originals of both of these documents.

NRS may need from time-to-time to make changes to the administrative procedures set forth herein and in the Plan Document Amendment. In such a case, NRS will provide you with timely notice of such changes as they become necessary.

The following administrative procedures shall govern the making of loans from your Plan:

1. **Loan Administration.** Plan Sponsor delegates to NRS certain administrative duties regarding the administration of loans from the Plan, which are set forth herein and which may be modified by NRS upon timely notice to Plan Sponsor.
2. **Loan Eligibility.** Any Plan Participant is eligible for a loan from the Plan. Each Participant is entitled to one (1) loan at any time. In addition, a Participant who has defaulted on a previous loan shall not be eligible for another loan from the Plan until all defaulted loans are repaid in full, including accrued interest and fees.
3. **Loan Application and Loan Agreement.** In order to receive a loan from the Plan, an eligible Participant must complete a loan application and return it to NRS. A loan application fee of \$50.00\* will be deducted from the Participant's account(s). Before a loan is issued, the Participant must enter into a legally enforceable loan agreement as provided by NRS. If the Plan Sponsor permits loans for the purchase of the Participant's principal residence, the Participant will be required to sign a Primary Residence Certificate form and provide NRS with a copy of the contract or other documents relating to the acquisition of the dwelling unit. If the source for a single loan includes both the Participant's Deferred Compensation and Eligible Rollover Accounts, the Participant will be required to complete a loan application and loan agreement for each account which will be treated as separate and distinct for all purposes herein except that they will be considered a single loan for purposes of Sections 2, 6, and 10 herein.
4. **Loan Repayment/Maximum Loan Term.** Repayment of any loan made to a Participant shall be made in a manner and pursuant to the terms set forth in loan agreement. The Participant receiving a loan shall be required to furnish the information and authorization necessary to effectuate the foregoing payments prior to the commencement of a loan. The maximum term over which a loan may be repaid is five (5) years (fifteen (15) years if the Plan Sponsor permits loans for the purchase of the Participant's principal residence).

\* These fees, rates, and minimums are subject to change by NRS upon reasonable notice to the Plan Sponsor. Loan fees will appear as administrative charges on Participant Statements.

In the event that a Participant elects to receive a distribution from the Plan (other than a distribution due to an unforeseeable emergency or other in-service withdrawal) at a time when such person has a Plan loan outstanding, the principal and any accrued interest with respect to such loan shall be taxable.

**5. Loan Amortization.** Each loan shall be amortized in substantially equal payments consisting of principal and interest during the term of the loan. Payments of principal and interest shall be made in a manner and pursuant to the terms set forth in the loan agreement on a monthly basis in equal amounts, except that the amount of the final payment may be higher or lower. Before the loan is made, the Participant will be notified of the date on which the first payment will be deducted and the dates on which subsequent payments are due.

**6. Loan Frequency/Renegotiations.** Each Participant may have only one (1) Plan loan outstanding at any given time. A Plan loan which is in default, even if the defaulted loan was treated as a "deemed distribution" under federal regulations, shall be treated as an outstanding loan until such Participant's account balance is offset by the amount of principal and accrued interest under the loan. NRS shall offset a defaulted loan at any time that is administratively practicable, including but not limited to severance from employment by the Participant or upon a request for a distribution from the Plan. A Participant will be granted a loan no more frequently than two (2) times in any twelve (12) month period. Under no circumstances may loan terms be renegotiated. A new loan shall not be granted prior to the repayment of an outstanding loan.

**7. Default.** The Participant must pay the full amount of each payment (principal and interest) on the date that it is due by having sufficient funds in the account designated for loan payments through the ACH process. If NRS is unable to process a payment on the date due because the Participant fails to have sufficient funds in the account on that date, NRS will assess a fee of \$25.00 that will be deducted from Participant's account(s) and will send written notification to the Participant. The Participant shall be in default for the entire amount of the loan UNLESS the Participant does each of the following: 1) contacts NRS at the Deferred Compensation Service Center, 2) mutually agrees with NRS on a date, which is within 30 days of the missed payment on which funds sufficient to cover the missed payment will be in the account and; 3) actually pays the missed payment. Failure to make such a payment through mutually agreeable terms shall cause the Participant to be in default for the entire amount of the loan. The loan also shall be defaulted upon the death of the Participant or if the Participant commences or has commenced against Participant a bankruptcy case. No additional loans shall be made to a Participant who has defaulted on a Plan loan and who has not repaid all defaulted loans in full, including accrued interest and fees.

**8. Loan Prepayment.** The entire amount of a loan, including outstanding principal and any accrued interest, may be paid without penalty prior to the end of the term of the loan in the manner prescribed by NRS. However, payments made that are less than the remaining principal amount of the loan and any accrued interest with respect to the loan, or which are not paid in the form prescribed by NRS, are not permitted.

**9. Loan Security.** By accepting a loan, the Participant is giving a security interest in his or her vested Plan balance as of the date of the Loan Process Date, together with all additions thereof, to the Plan that shall at all times be equal to 100% of the unpaid principal balance of the loan together with accrued interest.

**10. Maximum/Minimum Loan Amount.** The maximum amount of any loan permitted under the Plan is the lesser of (i) 50% of the Participant's vested account balance (not including any value attributable to applicable life insurance or deemed IRA account) less any outstanding loan balances under the Plan or (ii) \$50,000 less the highest outstanding loan balance during the preceding one-year period. The minimum loan amount permitted is \$1,000.00\*. Loans shall be made in accordance with these limits and those limits imposed under federal regulations without regard to any other loans received by the Participant from any other investment provider under the Plan or any other plan of the employer. The Participant and not NRS shall at all times remain responsible for ensuring that any loan received under the Plan is in accordance with regard to any other loans received by the Participant under any other plans of the Participant's employer. Any tax reporting required as a

\* These fees, rates, and minimums are subject to change by NRS upon reasonable notice to the Plan Sponsor. Loan fees will appear as administrative charges on Participant Statements.

result of the receipt by a Participant of a loan that exceeds the limits imposed by federal regulations shall not be the responsibility of NRS, unless it is determined that such limits were exceeded solely as a result of a loan made through NRS as service provider. Consequently, NRS shall not be required to account for loans made pursuant to a plan other than this Plan or loans made under this Plan that are made by an investment provider other than Nationwide Life Insurance Company.

11. **Suspension of Loan Payments.** NRS may suspend a Participant's obligation to repay any loan under the Plan during the period in which the Participant is performing service in the uniformed services as may be required by law. At the expiration of any suspension of loan payments period, the outstanding loan balance, including any accrued interest and fees, will be re-amortized and the Participant will be required to execute an amended Loan Agreement.

12. **Loan Interest Rate.** The interest rate for any loan shall be established by NRS. These interest rates shall commensurate with interest rates being charged by entities in the business of lending money under similar circumstances. Generally, the rate assumed will be Prime Rate + 1.00%\*. The Prime Rate shall be the prime rate published by the Wall Street Journal two weeks prior to the end of the most recent calendar-year quarter. NRS may adjust the loan interest rate for Participants entering active duty in the military services as may be required by law.

13. **Annual Loan Maintenance and Asset Fees.** An annual loan maintenance fee of \$50.00\* will also be deducted from the Participant's account until the loan is repaid in full. The amount of the outstanding loan balance will be subject to the Asset Fee equal to the maximum Variable Account Annual Expense Fee applicable under the Plan at the time the loan is issued.

14. **Loan Default Fee.** At the time when a default occurs, a \$50.00\* loan default fee will be deducted from the Participant's account. This charge will only affect Participants who fail to make a required loan payment.

15. **Loans for the Purchase of a Principal Residence.** All loans issued by the Plan will be general loans to be repaid in five (5) years unless the Plan Sponsor affirmatively elects to offer loans for the purchase of the Participant's principal residence, which may be repaid in fifteen (15) years. Such loans shall be solely secured by the Participant's vested account balance. All administrative procedures set forth herein shall apply to such loans.

If the Plan Sponsor elects to permit loans for the purchase of the Participant's principal residence, please check this box.

The undersigned Plan Sponsor hereby adopts these Participant Loan Administrative Procedures, effective for loans issued on or after the effective date set forth in the Loans to Participants Amendment to Plan Document, and instructs NRS to administer loans made to Plan Participants in accordance with these terms.

The Plan Sponsor acknowledges the following: (i) that the Plan Sponsor has decided to offer loans under the Plan and is instructing NRS to administer loans under the Plan; (ii) that it understands that, as a result of offering loans under the Plan, the Plan Sponsor, its Participants, and/or the Plan could be subject to adverse tax consequences; (iii) that the Plan Sponsor has independently weighed this risk and has determined that offering loans under the Plan is in the best interest of the Plan Sponsor, its Participants, and the Plan; and (iv) NRS shall not be liable for any adverse tax consequences described in (ii), except as specifically stated under paragraph 10 herein, resulting from the Plan Sponsor's decision to offer loans under the Plan.

\* These fees, rates, and minimums are subject to change by NRS upon reasonable notice to the Plan Sponsor. Loan fees will appear as administrative charges on Participant Statements.

Plan Sponsor Collier County Sheriff's office  
or Employer: \_\_\_\_\_

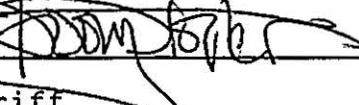
Street Address: 3301 Tamiami Trail East, Bldg 5

City, State, Zip Code: Naples, FL 34112

Plan Name: Collier County Sheriff's office

Entity No.: \_\_\_\_\_

Plan Entity: Collier County Sheriff's Office

By: 

Its: Sheriff

E-mail Address: findir@colliersheriff.net

Date: June 1, 2007

- \* These fees, rates, and minimums are subject to change by NRS upon reasonable notice to the Plan Sponsor. Loan fees will appear as administrative charges on Participant Statements.

This Agreement is made and entered into by and between COLLIER COUNTY SHERIFF (the "Employer") and The Variable Annuity Life Insurance Company ("VALIC"), a Texas corporation, on this 28 7/6 day of JULY, 20 02 (insert date on or after 01/01/02).

**ARTICLE I - PURPOSE**

The Employer maintains a deferred compensation plan (the "Plan"). In the interest of economy and efficiency, the Employer deems it desirable to contract for administrative services pertaining to accounting for deferrals, disbursements of funds, proper reporting to participants and the Internal Revenue Service, and withholding of taxes, if applicable. Therefore, the Employer designates VALIC its agent to perform the services outlined in this Agreement and deposit income tax amounts as required by law. VALIC's undertaking to provide administrative services hereunder is limited to those amounts of deferred compensation under the Plan that the Employer has invested in annuity contracts issued by VALIC.

**ARTICLE II - DEFINITIONS**

As used in this Agreement, the following definitions shall apply unless the context indicates otherwise:

- 2.1 Agent - The Variable Annuity Life Insurance Company ("VALIC").
- 2.2 Annuity Contract - The group or individual annuity contract(s) between the Employer or Plan Participants and VALIC.

2.3 Employer COLLIER COUNTY SHERIFF'S OFFICE  
Employer Name

3301 EAST TAMARIND TRAIL, BLDG T, NAPLES, FL 34112  
Employer Address

- 2.4 Participant - An employee or independent contractor of the Employer electing to participate in the Plan.

2.5 Plan - The COLLIER COUNTY SHERIFF'S OFFICE Deferred Compensation Plan.  
Name of Plan

Check one:

- a.  a 457(b) or "eligible" deferred compensation plan described under section 457 of the Internal Revenue Code of 1986, as amended.
- b.  a 457(f) or "ineligible" deferred compensation plan sponsored by a tax-exempt or governmental organization.
- c.  a non-qualified (top hat) deferred compensation plan sponsored by a for-profit organization.

**ARTICLE III - RESPONSIBILITIES OF EMPLOYER**

- 3.1 For distributions prior to January 1, 2002, and for any other distributions to which this requirement may apply on or after January 1, 2002, the Employer shall complete and sign all forms necessary for VALIC's appointment as its agent with the Internal Revenue Service, or where applicable, those forms that release VALIC of said appointment.
- 3.2 The Employer shall forward a Participant's deferred compensation to VALIC within the time limitations imposed by applicable Federal and/or state law.
- 3.3 The Employer shall notify VALIC in writing of all Participant information requested by VALIC, including, but not limited to, age, Social Security number and beneficiary information.
- 3.4 The Employer shall direct VALIC to make benefit payments under the Plan in accordance with the annuity option specified by the Employer or Participant and shall supply VALIC with the amount of the account to be distributed.

3.5 The Employer shall be responsible for approval of all requests for unforeseeable emergency withdrawals under the Plan and direct VALIC to make approved disbursements in amounts specified by the Employer. Unforeseeable Emergency Withdrawal requests shall be processed as follows (check one below):

- a.  Employer has reviewed VALIC'S Unforeseeable Emergency Withdrawal procedures and, having determined such procedures to be consistent with the terms of the Plan, hereby adopts such procedures and delegates the function to VALIC. By signature on this Agreement, Employer approves all unforeseeable emergency withdrawal requests made and processed in accordance with VALIC'S procedures adopted by Employer for the Plan.
- b.  Employer will review all requests for and make all determinations regarding unforeseeable emergency withdrawals and will indicate distribution approval by signature on all Unforeseeable Emergency Withdrawal request forms.

#### ARTICLE IV - VALIC RESPONSIBILITIES

4.1 VALIC shall furnish periodic confirmation statements of accounts showing activity and the total value of each Participant's account(s) to (check one below):

- a.  Participants; or  
b.  the Employer.

4.2 VALIC shall compute and deduct income taxes required by law to be withheld for all distributions (check one below).

- a.  Yes. *This option is only available if you checked 2.5(a). (Proceed to 4.5.)*  
b.  No. *This option is not available if you checked 2.5(a) and are a governmental employer (Proceed to Article VI.)*

4.3 VALIC shall issue the disbursements in accordance with the provisions of the Annuity Contract and the Plan at the direction of and in amounts specified by the Employer. Such disbursements shall be made payable and mailed to participants. *This does not apply if 4.2(b) was checked.*

4.4 Disbursements shall be made from the account maintained by VALIC on behalf of the Employer in accordance with the terms of the Annuity Contract and the Plan; provided, however, that if the Employer terminates the Annuity Contract, VALIC shall be obligated to make disbursements only to the extent that funds are still available in the account of the Employer.

4.5 VALIC shall compute and deduct income taxes required by law to be withheld from distributions from the Plan, and for distributions prior to January 1, 2002, such determinations shall be made under the wage bracket method for all distributions for Federal income tax purposes and as may be specified below for State income tax purposes. A report of such withheld taxes will be forwarded by VALIC to the Internal Revenue Service within the time prescribed by law. *This only applies if you checked 2.5(a).*

State income tax withholding (Specify one only):  
 wage bracket method for all distributions.  
 current percentage rate specified by state law for all distributions.

For distributions prior to January 1, 2002, and for any other distributions to which this requirement may apply on or after January 1, 2002, Employer agrees to furnish VALIC a properly completed Withholding Allowance Certificate (Form W-4) for each Participant receiving a disbursement. VALIC will not withhold Federal income tax for any employee who claims an exemption from withholding on Form W-4 by indicating no tax liability for the preceding year and none expected for the current year.

4.6 VALIC shall furnish to each Participant tax reporting form(s) required by the applicable taxing authority, including a statement of gross amounts paid to the Participant and the amount of Federal, state and local income tax withheld by VALIC, if any.

4.7 VALIC shall furnish to the Employer, upon request, annual and semi-annual reports for The Variable Annuity Life Insurance Company Separate Account(s) for distribution to Participants.

---

4.8 VALIC shall establish and maintain records of notifications from Employer concerning Participants who are to receive disbursements, gross payments under the Agreement, amounts of Federal, state and local income withheld by VALIC on behalf of the Employer and reports of such income and deposits filed with the appropriate governmental agencies by VALIC on behalf of the Employer.

#### **ARTICLE V - MISCELLANEOUS**

5.1 Term. This Agreement shall become effective immediately upon execution and shall remain in force until terminated by either party as provided below.

5.2 Termination. This Agreement may be terminated by either party upon sixty (60) days' written notice to the other party of the intent to terminate. Upon any such termination, Agent shall deliver to the Employer all records and reports required by this Agreement.

5.3 Information. VALIC relies on the information provided to it by the Employer and Plan Participants and beneficiaries, and VALIC will not be responsible for claims resulting from the use by VALIC of any incorrect or misleading information provided to it by the Employer or Plan Participant or beneficiary.

5.4 Assignment. This Agreement may not be assigned without the written consent of the other party.

5.5 Amendment. The parties may amend this Agreement only in writing. Any such amendment must be approved by the President or a Vice President of Agent and a person authorized to act on behalf of Employer.

5.6 Notice. Any notice provided for herein shall be in writing and shall be deemed to have been given when received by personal delivery or United States mail addressed to the Employer at the address given in section 2..3 or to VALIC at the address below:

Client Services  
The Variable Annuity Life Insurance Company  
2929 Allen Parkway  
Houston, TX 77019

5.7 Governing Law. The laws of the State/Commonwealth of FL shall govern the rights and obligations of the parties under this Agreement.

5.8 Entire Agreement. This Agreement and any written amendments hereto constitute the entire agreement of the parties. This Agreement shall supersede all previous communications, representations or agreements, either oral or written, between the parties.

5.9 No Additional Cost. The services rendered by VALIC pursuant to this Agreement shall be performed without additional cost to the Participants other than administrative and sales charges provided for in the Annuity Contract.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed to be effective as of the date herein above.

## EMPLOYER:

COLLIER COUNTY SHERIFF'S OFFICE

Name

BY: 

Signature

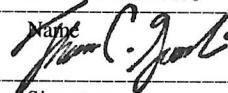
DON HUNTER, SHERIFF

Name &amp; Title

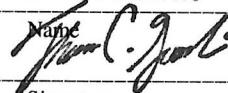
## HOME OFFICE:

THE VARIABLE ANNUITY LIFE  
INSURANCE COMPANY

Thomas C. Goodwin



Name

BY: 

Signature

Thomas C. Goodwin, Director

Name &amp; Title

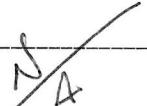
## ARTICLE VI - EMPLOYER NOTICE OF WITHHOLDING

*(Signature required if item 4.2b was selected)*

Notice is hereby given by the Employer that all disbursements under the above-referenced Plan shall be made by VALIC to Employer in accordance with the Annuity Contract(s) entered into between VALIC and the Employer under the Plan in such amounts and at such times as Employer specifies in writing to VALIC. VALIC is hereby released from the responsibility, if any, of withholding Federal and state income taxes from all disbursements made to Employer under the above-referenced Plan.

## EMPLOYER:

Name

BY: 

Signature

Name &amp; Title

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

**Important Time Sensitive Information – Read Immediately**

**Deadline: Right to Cancel and Receive Full Refund**

You may return Your contract for up to twenty-one (21) days after You receive it for a full refund. A full refund is defined as unconditional refund of all premiums paid, including any contract fees or charges. The free look explained here will supersede any free look provision provided in Your contract.

- **PLEASE BE AWARE THAT THE PURCHASE OF AN ANNUITY CONTRACT IS A LONG-TERM COMMITMENT AND MAY RESTRICT ACCESS TO YOUR MONEY**
- **A PROSPECTUS AND CONTRACT SUMMARY IS REQUIRED TO BE GIVEN TO YOU.**

**Issuing Company:**

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
2929 Allen Parkway  
Houston, TX 77019  
888-569-6128

The above address and telephone number is provided for contract owners to present inquiries or obtain information about coverage and to provide assistance in resolving complaints.

**Selling Agent Information:**

**FLORIDA DEPARTMENT OF FINANCIAL SERVICES CONSUMER SERVICES**  
**Toll free helpline: 1-877-693-5236**  
**Out of state: 1-850-413-3089**



The Variable Annuity Life Insurance Company

**CONTRACT OWNER: COLLIER COUNTY SHERIFF'S OFFICE**

**CONTRACT NUMBER:** [REDACTED]

**DATE OF ISSUE:** 07/28/2006

In return for Purchase Payment(s), VALIC will pay annuity and other benefits as provided in this Contract.

**PLEASE READ YOUR CONTRACT CAREFULLY**

**See Index on Page 2**

- **Maintenance Charge** -- There is no account maintenance charge.
- **Separate Account Charge** -- There is a daily charge against the Separate Account at an annual rate ranging from 1% to 1.25% of the average daily net asset value of the Separate Account, based upon the Variable Investment Option to which assets are allocated. This charge only applies to assets under Variable Investment Options. See Section 2.06 for a complete description.
- **Cash Surrender or Withdrawal Charge** -- There is a charge at the time of surrender or withdrawal for transfer to another funding entity equal to 5% of (i) the amount withdrawn, or (ii) the amount of any Purchase Payments received during the most recent 60 months prior to the surrender or withdrawal, whichever is less. See Sections 4.03 through 4.06 for a complete description and conditions under which there is no charge.

The conditions and provisions on this and the following pages are the entire legal Contract between VALIC and the Contract Owner. No agent has the authority to change this Contract or waive any of its provisions. Only the President or a Vice President of VALIC may change this Contract. Any such changes must be in writing. All conditions and provisions are subject to applicable state laws.

EXECUTED AT VALIC'S HOME OFFICE ON THE DATE OF ISSUE.



Julie Cotton Hearne  
Secretary



Kevin T. Hogan  
President

ANNUITY PAYMENTS AND SURRENDER VALUES PROVIDED BY THIS CONTRACT WHEN BASED ON INVESTMENT EXPERIENCE OF THE SEPARATE ACCOUNT ARE VARIABLE AND ARE NOT GUARANTEED AS TO FIXED DOLLAR AMOUNT AND MAY INCREASE OR DECREASE IN VALUE.

**GROUP FIXED AND VARIABLE DEFERRED ANNUITY CONTRACT  
INDIVIDUAL ALLOCATIONS  
- NON-PARTICIPATING -**

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## Section 1 - DEFINITIONS

**Accumulation Period** - the time between the date of the first Purchase Payment and the Annuity Date for a Participant.

**Accumulation Value** - equals the sum of the values of the Fixed Interest Options and Variable Investment Options allocated to a Participant Account that have not been applied to provide annuity payments.

**Annuity Period** - the time during which VALIC makes annuity payments.

**Certificate Year** - a twelve month period starting with the issue date of a Participant's certificate and each anniversary of that date.

**Code** - the Internal Revenue Code of 1986, as amended.

**Company Reference** - "We," "Our," "Us," or "VALIC," means The Variable Annuity Life Insurance Company.

**Contract Owner** - the employer or other entity that makes application for the Contract.

**Investment Fund** - an investment portfolio which is the underlying investment medium for a Variable Investment Option.

**General Account** - the assets of VALIC other than those in the Separate Account or any other segregated asset account.

**Home Office** - the principal office of VALIC.

**Participant** - a person for whom or with respect to whom Purchase Payments are made under the Contract.

**Participant Account** - an individual account which is established for a Participant to record the Accumulation Value for the Participant.

**Plan** - the employer-sponsored retirement plan, annuity purchase arrangement, or deferred compensation program for which this Contract is issued.

**Purchase Payment** - an amount paid to VALIC for allocation to a Participant Account.

**Separate Account** - a segregated asset account established under the Texas Insurance Code (known as Separate Account A).

**Surrender Value** - the Accumulation Value of a Participant Account less any applicable surrender charge.

## Section 2 - CONTRACT AND PURCHASE PAYMENTS

**2.01 Incontestability** - This Contract is contestable. This Contract is non-participating and does not share in the profits or surplus of VALIC.

**2.02 Minimum Contract Value** - We can distribute the Surrender Value if the Accumulation Value for the Participant Account falls below \$300 and there are no Purchase Payments for two Certificate Years.

**2.03 Plan Provisions** - As further explained in Section 5, this Contract is subject to the provisions of the Plan. To the extent provided by the Plan, any rights that may be exercised by a Participant under this Contract may instead be exercised by the Contract Owner or a Plan representative.

**2.04 Purchase Payments** - Purchase Payments may be made at any time during the Accumulation Period and may include amounts that are rolled over or directly transferred from another plan. We require no payment beyond the first. There is no penalty if any scheduled payments are omitted or stopped.

If only one Purchase Payment is to be allocated to a Participant's Account, it must be at least \$1,000. Periodic payments must be at least \$30 each. VALIC may waive this minimum.

We may deduct amounts from Purchase Payments or from the Accumulation Value for applicable premium taxes. We will allocate the net Purchase Payment to one or more Investment Options according to the Participant's directions unless the Contract Owner has retained that right under the Plan.

**2.05 Maintenance Charge** - There is no maintenance charge.

**2.06 Separate Account Charge** - We deduct a daily charge from the Separate Account. The amount of the charge depends on the Variable Investment Option from which it is deducted, and is imposed at an annual rate which ranges from 1% to 1.25% of the assets of the Variable Investment Option.

### Section 3 - INVESTMENT OPTIONS

We will allocate Purchase Payments (less any charges) to one or more Investment Options selected by the Participant. We reserve the right to limit allocations among Investment Options to seven at any one time. Each selection must be a whole percentage of Purchase Payments.

**3.01 Fixed Interest Options** - Fixed Interest Options are based on the General Account. Allocations to Fixed Interest Options earn interest as credited by VALIC during the Accumulation Period. The interest credited will be at least 3% per year.

There are two Fixed Interest Options: Short Term Fixed Account and Fixed Account Plus.

- (a) **Short Term Fixed Account.** We will credit interest to the Short Term Fixed Account on a portfolio basis. On the portfolio basis, all amounts accumulated will be credited with the same rate of interest for the current period.
- (b) **Fixed Account Plus.** We will credit interest to the Fixed Account Plus on the following basis. Periodically, but not less than annually, We will declare interest rates that apply separately to amounts accumulated in separate time periods.

**3.02 Variable Investment Options** - Variable Investment Options are based upon Investment Funds available within Separate Account A. Separate Account A invests in a number of Investment Funds. Each Investment Fund underlying a Variable Investment Option has a different investment objective. Investment returns on Variable Investment Options may be positive or negative.

**3.03 Accumulation Unit** - An Accumulation Unit is a measuring unit for amounts allocated to a Variable Investment Option before annuity payments begin. The value of an Accumulation Unit will vary with the net investment return of the respective underlying Investment Fund. Accumulation Units may be credited to the Participant's Account due to a Purchase Payment or a transfer from another Investment Option. The number of Accumulation Units credited to the Participant's Account is determined by dividing the dollar amount of the transaction by the Accumulation Unit Value for that Variable Investment Option at the next time it is computed.

**3.04 Accumulation Unit Value** - The Accumulation Unit Value is the value of one Accumulation Unit of a Variable Investment Option. We will calculate it at the end of trading each day the New York Stock Exchange is open, except as otherwise permitted by the Securities and Exchange Commission. The value of an Accumulation Unit of a Variable Invest-

ment Option is the Accumulation Unit Value last computed, multiplied by one plus the Investment Rate for the period. The Investment Rate may be positive or negative.

The Investment Rate is the change in the value of the Investment Fund's portfolio (capital gains and losses whether or not realized and investment income) since the last computation, divided by the amount of assets at the beginning of the period, less a factor for

- (a) the Separate Account Charge for the period at the applicable annualized rate ranging from 1% to 1.25%, and
- (b) any taxes attributable to the Separate Account or reserve held for such taxes.

**3.05 Transfers During the Accumulation Period** - During the Accumulation Period, the Participant may transfer amounts among Investment Options, except as provided below.

- (a) We reserve the right to limit allocations among Investment Options to seven at any one time.
- (b) We reserve the right to require transfers to be at least 30 days apart.
- (c) **Transfers from the Short Term Fixed Account.** After a transfer to the Short Term Fixed Account, the Participant may not make any transfer from the Short Term Fixed Account for 90 days. We may change this transfer restriction at any time. However, the transfer restriction period may not exceed 180 days.
- (d) **Transfers from Fixed Account Plus.** The Participant may transfer up to 20% of the Accumulation Value allocated to Fixed Account Plus during each Certificate Year. If multiple transfers are made in a Certificate Year, the percentages of the Accumulation Value transferred each time will be added together to determine the 20% transfer limit for that Certificate Year. For each transfer, the percentage transferred is the ratio of the amount transferred to the portion of the Accumulation Value allocated to Fixed Account Plus immediately prior to the transfer. However, if following a 20% transfer, the remaining amount allocated to Fixed Account Plus would be less than \$500, the Participant may transfer the remaining amount.

**3.06 Transfers During the Annuity Period** - During the Annuity Period, the Participant may transfer Annuity Unit values among the Variable Investment Options. The Participant may also transfer Annuity Unit values from the Variable Investment Options underlying a Variable Annuity to provide a Fixed Annuity. Transfers must be at least 365 days apart. We will not permit any transfer from a Fixed Annuity during the Annuity Period.

## Section 4 - BENEFITS

4.01 **Cash Surrender** - Subject to the restrictions in Sections 5.01 and 5.05, the Participant may surrender the Participant Account before the Annuity Date for a cash payment equal to the Surrender Value as of the date We receive the request at the Home Office. The Surrender Value is the Accumulation Value less any charges, as described below.

The Surrender Value of the Fixed Interest Options will never be less than the amount of all Purchase Payments allocated to the Fixed Interest Options, less any amounts transferred to Variable Investment Options or withdrawn.

4.02 **Withdrawals** - Subject to the restrictions in Sections 5.01 and 5.05, the Participant may withdraw a portion of the Accumulation Value in cash at any time before the Annuity Date. We may deduct a charge as described below.

### 4.03 Charges for Cash Surrender or Withdrawal

(a) **General.** The Cash Surrender or Withdrawal charges under this Contract will not apply unless the Participant makes a surrender or withdrawal for transfer to another funding entity. The charge is 5% of (1) the amount withdrawn, or (2) the amount of any Purchase Payments received during the most recent 60 months prior to the surrender or withdrawal, whichever is less.

For purposes of this charge, We treat withdrawals as withdrawals of Purchase Payments before any earnings. We treat the most recent Purchase Payments as being withdrawn first.

(b) **10% Withdrawal in Certificate Year.** Subject to the provisions of Sections 4.04 and 4.05, in any Certificate Year the Participant may withdraw up to 10% of the Accumulation Value without a charge. The surrender charge will be applicable only to the amount withdrawn that exceeds 10%. The percentage withdrawn will be calculated as the ratio of the amount withdrawn to the Accumulation Value immediately prior to the withdrawal. If multiple withdrawals are made in a Certificate Year, the percentages withdrawn for each withdrawal will be added together to determine whether the 10% limit has been exceeded.

4.04 **Conditions Under Which No Surrender or Withdrawal Charges Will Be Deducted** - We will not deduct charges from a participant Account under any of the following conditions:

(a) The Participant elects an Annuity Income

Option; or

(b) After the death of the Participant; or

(c) The Participant has become totally and permanently disabled. This means that the Participant is unable, because of physical or mental impairment, to perform the material and substantial duties of any occupation for which the Participant is suited by means of education, training or experience. The impairment must have been in existence for more than 180 days to qualify for this benefit. Such impairment must be expected to result in death or be long-standing and indefinite.

We require proof of disability. We will accept a certified Social Security finding of disability or a doctor's verification; or

(d) The withdrawal and any earlier withdrawals from the Participant Account during the same Certificate Year do not exceed 10% of the Accumulation Value (see Section 4.03); or

(e) The Participant is separated from service with the employer that maintains the Plan; or

(f) No Purchase Payments were made to the Participant Account in the five years preceding the date of the surrender or withdrawal; or

(g) The Participant is at least 59 1/2 years old and the Participant Account was established at least five years before the date of the surrender or withdrawal; or

(h) The Participant Account was established at least fifteen years before the date of the surrender or withdrawal; or

(i) The Participant is retired from service with the employer that maintains the Plan; or

(j) To the extent that a withdrawal or surrender is made on account of a hardship under the terms of the employer's Plan.

- 4.05 **Annuity Period** - The Annuity Period begins at the Annuity Date, when the Participant's Accumulation Value is applied under an Annuity Income Option. The Participant may change the Annuity Date shown on the first page of the Participant Certificate by giving Us at least 30 days notice. The selected Annuity Date may be the first day of any calendar month, but if the Participant chooses a life income option, the Annuity Date may not precede the Participant's 50th birthday without Our permission.
- 4.06 **Starting Annuity Income Benefits** - At least 30 days in advance of the Annuity Date, the Participant must choose one of the Annuity Income Options in Section 4.10 and provide acceptable proof of age for any person whose age is taken into account under a life income option. If the Participant fails to select another Annuity Income Option, annuity payments will be made on the basis of the Second Option with payments guaranteed for a ten-year period, commencing on the Annuity Date.
- 4.07 **Partial Annuitization** - The Participant may choose to apply less than the full Accumulation Value under an Annuity Income Option and may choose different Annuity Dates and different Annuity Income Options for different portions of the Accumulation Value. Therefore, the Contract may, at times, be in both an Accumulation Period and an Annuity Period. If the Participant chooses to do this, the provisions of the Contract relating to the Accumulation Period and the Annuity Period will be applied as though there were separate Contracts.
- 4.08 **Minimum Annuity Payments** - The Participant may not choose any Annuity Income Option if the resulting initial payment would be less than \$25 under either a Fixed or Variable Annuity. We reserve the right to convert monthly payments to quarterly, semi-annual or annual payments so the initial payment will be at least \$25.
- 4.09 **Misstatement of Age** - If annuity payments depend upon an individual's survival and the date of birth of any individual was misstated, We will adjust the remaining payments. The amount remaining to be paid will be the amount that should have been paid with the correct information. We will credit or charge the amount of any underpayment or overpayment against the next succeeding payment or payments, if any remain. We reserve the right to collect any overpayment directly from the payee.
- 4.10 **Annuity Income (Payment) Options** - The Participant may choose to receive payments under

any of the Annuity Income Options below or any other option agreed to by VALIC. Any option chosen must comply with applicable state and federal laws and regulations.

**FIRST OPTION - Life Annuity With No Guarantee Period** - An income payable during the Participant's life. All payments cease at the Participant's death with no further amounts payable.

**SECOND OPTION - Life Annuity With Guarantee Period of 5, 10, 15, or 20 Years** - An income payable during the Participant's life. If, at the Participant's death, We have made payments for fewer than the number of years selected, We will continue payments to the Beneficiary for the remainder of the guarantee period.

**THIRD OPTION - Life Annuity With Cash or Unit Refund Option** - An income payable during the Participant's life. Payments cease at the Participant's death. However, the Beneficiary may receive an additional payment.

For payments on a Fixed Annuity basis, the additional payment, if any, will be the Accumulation Value applied to this option less the total of all prior payments.

For payments on a Variable Annuity basis, the additional payment, if any, will be the current value of the number of Annuity Units credited at the Annuity Date less the number of Annuity Units that have been paid. For this purpose, the number of Annuity Units credited equals the Accumulation Value applied to this option divided by the Annuity Unit Value at the date used to calculate the first annuity payment.

**FOURTH OPTION - Joint and Survivor Life Annuity** - An income payable during the joint lives of the Participant and a second person and thereafter during the life of the survivor.

**FIFTH OPTION - Payments for a Designated Period** - An income payable for a selected number of years between five and thirty. This option is available for Fixed Annuities only.

**4.11 Fixed or Variable Annuity Basis** - A Fixed Annuity provides benefit payments of a fixed dollar amount. A Variable Annuity provides benefit payments which vary with the investment return of the chosen Variable Investment Options.

The Participant may elect to receive payments under any annuity option as a Fixed Annuity, a Variable Annuity, or a combination Fixed and Variable Annuity. If the Participant makes no election, amounts in Fixed Interest Options will provide a Fixed Annuity and amounts in Variable Investment Options will provide a Variable Annuity.

4.12 **Variable Annuity Payments** - We will determine the amount of each Variable Annuity payment by multiplying the number of Annuity Units payable by the Annuity Unit Value on the tenth day (or the preceding business day if the tenth day is not a business day) prior to the payment due date.

We will determine the number of Annuity Units payable at the beginning of the Annuity Period. We will divide the dollar amount of the first payment by the Annuity Unit Value for that Variable Investment Option on the tenth day before the Annuity Date. The number of Annuity Units payable from each Variable Investment Option remains constant unless the Participant transfers a portion of the annuity benefit between the Variable Investment Options or from a Variable Annuity to a Fixed Annuity. However, the dollar amount payable is not fixed and may change from month to month.

4.13 **Assumed Investment Rate (AIR)** - Since the future rate of return on Variable Options is unknown, the Participant must choose an Assumed Investment Rate (AIR). The AIR is the assumed rate of return used to determine the first annuity payment for a Variable Annuity Option. Rates of 3%, 3 1/2%, 4 1/2%, 5% or a higher rate may be chosen if permitted by state law and regulations. If no AIR is chosen, the AIR will be 3 1/2%. A higher AIR will result in a higher initial payment. Choice of a lower AIR will result in a lower initial payment. Payments will increase whenever the actual return exceeds the chosen AIR. Payments will decrease whenever the actual return is less than the chosen AIR.

4.14 **Annuity Units and Annuity Unit Value** - An Annuity Unit is a measuring unit We use to determine the amount of the annuity payments to be made. All or a portion of the Accumulation Value is used to purchase a stream of annuity payments represented by a number of Annuity Units payable each period. The value of these Annuity Units represents the benefit amount paid each period.

For Fixed Annuity options the number of Annuity Units equals the dollar amount of each payment since the Annuity Unit Value is fixed at \$1.00.

For Variable Annuity options, the Annuity Unit Value varies with the investment rate each period. The Annuity Unit Value is the value of one Annuity Unit of an Investment Option.

The value of a Variable Annuity Unit is A multiplied by B multiplied by C (AxBxC).

A = the Annuity Unit Value for the Variable Investment Option at the immediately preceding computation date

B = 1 + the investment rate for the variable fund for the period

C = the applicable AIR Factor from the following table raised to the power of the number of days in the period.

AIR	AIR Factor
3%	0.999919
3 1/2%	0.999906
4 1/2%	0.999879
5%	0.999866

4.15 **Betterment of Rates - Fixed Annuity** - We will use the applicable current settlement option rates if these will provide higher fixed annuity payments to the Participant. If a commutation (cash out of remaining annuity payments) is allowed, the rates previously used to calculate the annuity payments will be used for the commutation request.

4.16 **Annuity Rate Tables** - The value We use to determine annuity payments will be the applied portion of the Accumulation Value on the tenth day (or the preceding business day if the tenth day is not a business day) preceding the date of the first annuity payment, less any applicable premium taxes.

The following tables are based on the 1983a mortality table and assume births in the year 1900. The tables show the amount required to purchase a first monthly payment of \$1.00. Quarterly, semiannual, and annual payments may also be selected.

The amount of each payment will depend upon the Annuitant's adjusted age at the time the first payment is due. Adjusted age will be determined in accordance with the following:

Calendar Year of Birth	Adjusted Age is Actual Age Minus
Before 1916	0
1916 - 1935	1
1936 - 1955	2
1956 - 1975	3
After 1975	4

Actual age, as used above, means the Annuitant's age at the birthday nearest to the Annuity Date.

Table A is the Table to use for Variable Annuities with a 3% AIR (see Section 4.13) and to determine the minimum guarantees for Fixed Annuities. Tables B, C, and D are to be used for Variable Annuities with 3 1/2%, 4 1/2% and 5% AIRs respectively.

**TABLE A**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$250.48	\$250.83	\$251.98	\$254.04	\$257.21	\$259.24
51	246.41	246.79	248.04	250.27	253.72	255.69
52	242.26	242.68	244.03	246.45	250.21	252.09
53	238.03	238.49	239.95	242.58	246.69	248.43
54	233.73	234.23	235.81	238.67	243.15	244.71
55	229.35	229.88	231.60	234.72	239.60	240.94
56	224.89	225.46	227.32	230.73	236.05	237.12
57	220.34	220.96	222.98	226.71	232.52	233.24
58	215.71	216.38	218.59	222.65	229.01	229.31
59	210.99	211.72	214.14	218.58	225.54	225.33
60	206.19	206.99	209.63	214.50	222.12	221.29
61	201.30	202.18	205.08	210.42	218.75	217.19
62	196.35	197.31	200.50	206.34	215.47	213.04
63	191.32	192.39	195.88	202.30	212.28	208.83
64	186.24	187.41	191.25	198.29	209.20	204.54
65	181.11	182.40	186.61	194.34	206.25	200.18
66	175.92	177.34	181.97	190.46	203.44	195.73
67	170.70	172.26	177.35	186.66	200.79	191.41
68	165.43	167.15	172.75	182.97	198.31	186.93
69	160.13	162.01	168.18	179.39	196.00	182.35
70	154.78	156.86	163.66	175.95	193.89	178.01
71	149.41	151.71	159.21	172.66	191.97	173.43
72	144.01	146.56	154.85	169.54	190.26	169.01
73	138.61	141.44	150.59	166.61	188.73	164.46
74	133.21	136.35	146.45	163.88	187.41	159.83
75	127.84	131.33	142.46	161.36	186.26	155.48

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant: Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$280.54	\$282.36	\$284.24	\$286.16	\$288.12	\$290.13	\$292.17	\$294.25	\$296.35	\$298.47	\$300.61
51	276.91	278.78	280.70	282.67	284.69	286.75	288.85	290.98	293.13	295.31	297.51
52	273.19	275.10	277.07	279.10	281.17	283.28	285.43	287.62	289.83	292.07	294.33
53	269.37	271.34	273.36	275.43	277.55	279.72	281.93	284.17	286.45	288.74	291.06
54	265.46	267.47	269.54	271.67	273.85	276.07	278.33	280.64	282.97	285.33	287.71
55	261.45	263.51	265.64	267.81	270.05	272.33	274.65	277.01	279.40	281.83	284.27
56	257.34	259.46	261.63	263.86	266.15	268.49	270.87	273.29	275.75	278.23	280.74
57	253.13	255.30	257.53	259.82	262.16	264.56	267.00	269.48	272.00	274.55	277.12
58	248.82	251.04	253.32	255.67	258.07	260.53	263.03	265.58	268.16	270.77	273.40
59	244.40	246.67	249.01	251.42	253.88	256.40	258.97	261.57	264.22	266.90	269.60
60	239.88	242.21	244.60	247.07	249.59	252.17	254.80	257.48	260.19	262.93	265.70
61	235.26	237.64	240.09	242.61	245.20	247.84	250.54	253.28	256.06	258.87	261.71
62	230.54	232.97	235.47	238.06	240.70	243.41	246.17	248.98	251.83	254.71	257.62
63	225.71	228.19	230.76	233.40	236.11	238.88	241.71	244.58	247.50	250.46	253.44
64	220.79	223.32	225.94	228.64	231.41	234.25	237.14	240.09	243.08	246.10	249.16
65	215.78	218.35	221.02	223.78	226.61	229.51	232.47	235.49	238.55	241.65	244.78
66	210.67	213.30	216.02	218.82	221.71	224.68	227.71	230.79	233.93	237.10	240.31
67	205.48	208.15	210.92	213.78	216.72	219.75	222.84	226.00	229.21	232.45	235.74
68	200.20	202.91	205.73	208.64	211.64	214.73	217.88	221.11	224.38	227.71	231.06
69	194.83	197.59	200.45	203.41	206.47	209.61	212.83	216.12	219.46	222.86	226.30
70	189.39	192.19	195.09	198.10	201.21	204.41	207.68	211.03	214.45	217.92	221.43
71	183.87	186.70	189.66	192.71	195.87	199.12	202.45	205.86	209.34	212.88	216.47
72	178.28	181.15	184.14	187.24	190.45	193.75	197.14	200.61	204.15	207.76	211.41
73	172.63	175.53	178.56	181.70	184.96	188.31	191.75	195.28	198.88	202.55	206.27
74	166.94	169.86	172.92	176.10	179.40	182.80	186.29	189.87	193.53	197.26	201.05
75	161.21	164.15	167.23	170.44	173.78	177.22	180.77	184.40	188.11	191.90	195.75

**TABLE B**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3 1/2%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$233.36	\$233.71	\$234.82	\$236.75	\$239.66	\$240.70
51	229.87	230.25	231.45	233.54	236.72	237.65
52	226.30	226.72	228.01	230.29	233.74	234.54
53	222.65	223.10	224.51	226.98	230.75	231.36
54	218.93	219.41	220.93	223.62	227.73	228.12
55	215.11	215.64	217.28	220.22	224.70	224.82
56	211.21	211.78	213.57	216.77	221.66	221.45
57	207.23	207.84	209.79	213.28	218.62	218.02
58	203.15	203.81	205.94	209.76	215.60	214.53
59	198.98	199.70	202.03	206.21	212.60	210.96
60	194.73	195.51	198.06	202.64	209.63	207.33
61	190.38	191.24	194.04	199.05	206.70	203.63
62	185.95	186.90	189.97	195.47	203.84	199.85
63	181.45	182.50	185.86	191.89	201.06	195.99
64	176.88	178.03	181.73	188.35	198.37	192.18
65	172.25	173.52	177.57	184.84	195.78	188.25
66	167.56	168.95	173.41	181.39	193.31	184.24
67	162.81	164.34	169.24	178.00	190.97	180.31
68	158.01	159.70	165.09	174.70	188.78	176.25
69	153.16	155.01	160.95	171.49	186.75	172.11
70	148.26	150.30	156.85	168.40	184.88	168.10
71	143.31	145.57	152.79	165.44	183.18	163.94
72	138.33	140.83	148.81	162.62	181.65	159.70
73	133.32	136.10	144.91	159.98	180.30	155.66
74	128.31	131.39	141.11	157.51	179.12	151.45
75	123.30	126.73	137.44	155.22	178.10	147.15

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$259.51	\$261.02	\$262.56	\$264.14	\$265.75	\$267.38	\$269.05	\$270.72	\$272.42	\$274.13	\$275.84
51	256.50	258.05	259.64	261.26	262.92	264.61	266.32	268.06	269.80	271.57	273.33
52	253.39	254.99	256.63	258.30	260.01	261.75	263.52	265.30	267.11	268.92	270.75
53	250.19	251.84	253.53	255.25	257.01	258.80	260.62	262.47	264.33	266.20	268.08
54	246.90	248.59	250.33	252.11	253.92	255.77	257.64	259.54	261.46	263.39	265.33
55	243.51	245.25	247.04	248.87	250.74	252.64	254.57	256.53	258.51	260.50	262.50
56	240.02	241.82	243.66	245.54	247.47	249.42	251.41	253.43	255.46	257.52	259.58
57	236.43	238.28	240.17	242.11	244.09	246.11	248.16	250.23	252.33	254.44	256.57
58	232.74	234.64	236.59	238.58	240.62	242.70	244.81	246.94	249.10	251.28	253.47
59	228.94	230.89	232.90	234.95	237.05	239.19	241.36	243.56	245.78	248.03	250.28
60	225.03	227.04	229.10	231.22	233.38	235.58	237.81	240.08	242.37	244.68	247.00
61	221.02	223.08	225.20	227.38	229.60	231.87	234.17	236.50	238.85	241.23	243.62
62	216.90	219.02	221.20	223.43	225.72	228.05	230.42	232.82	235.24	237.69	240.15
63	212.68	214.85	217.09	219.38	221.73	224.13	226.56	229.03	231.53	234.05	236.58
64	208.35	210.58	212.87	215.23	217.64	220.10	222.61	225.15	227.71	230.31	232.91
65	203.92	206.20	208.55	210.97	213.44	215.97	218.55	221.16	223.80	226.46	229.15
66	199.40	201.73	204.13	206.60	209.14	211.74	214.38	217.06	219.78	222.52	225.28
67	194.78	197.16	199.61	202.14	204.74	207.40	210.11	212.87	215.66	218.48	221.31
68	190.06	192.49	195.00	197.58	200.24	202.96	205.74	208.57	211.43	214.33	217.24
69	185.25	187.72	190.28	192.92	195.64	198.42	201.27	204.16	207.10	210.07	213.07
70	180.35	182.87	185.48	188.17	190.95	193.79	196.70	199.66	202.67	205.72	208.79
71	175.35	177.92	180.58	183.33	186.16	189.06	192.03	195.06	198.14	201.26	204.41
72	170.28	172.89	175.60	178.40	181.28	184.24	187.27	190.37	193.51	196.70	199.93
73	165.14	167.78	170.53	173.38	176.32	179.34	182.43	185.58	188.80	192.06	195.36
74	159.93	162.60	165.39	168.29	171.28	174.35	177.50	180.72	183.99	187.32	190.69
75	154.67	157.37	160.19	163.13	166.16	169.29	172.49	175.77	179.11	182.51	185.95

**TABLE C**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 4 1/2%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$204.42	\$204.75	\$205.77	\$207.48	\$209.94	\$209.57
51	201.83	202.19	203.30	205.15	207.83	207.29
52	199.16	199.55	200.75	202.77	205.68	204.94
53	196.41	196.84	198.14	200.33	203.51	202.52
54	193.58	194.05	195.45	197.84	201.30	200.04
55	190.67	191.17	192.70	195.30	199.07	197.48
56	187.67	188.21	189.87	192.70	196.83	194.84
57	184.58	185.17	186.97	190.07	194.57	192.18
58	181.40	182.04	184.00	187.39	192.31	189.42
59	178.12	178.82	180.97	184.67	190.06	186.59
60	174.75	175.51	177.87	181.92	187.82	183.68
61	171.28	172.12	174.70	179.14	185.60	180.76
62	167.73	168.64	171.48	176.35	183.42	177.73
63	164.09	165.09	168.21	173.55	181.29	174.63
64	160.36	161.48	164.90	170.76	179.22	171.46
65	156.57	157.79	161.55	167.99	177.22	168.31
66	152.70	154.05	158.18	165.24	175.31	165.04
67	148.76	150.24	154.78	162.54	173.49	161.70
68	144.75	146.38	151.38	159.88	171.78	158.28
69	140.67	142.46	147.97	157.30	170.19	154.96
70	136.53	138.50	144.57	154.80	168.72	151.48
71	132.31	134.50	141.20	152.39	167.38	147.92
72	128.04	130.46	137.87	150.10	166.17	144.48
73	123.73	126.41	134.59	147.93	165.10	140.90
74	119.38	122.37	131.39	145.90	164.16	137.25
75	115.01	118.33	128.27	144.02	163.35	133.53

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$224.40	\$225.44	\$226.49	\$227.57	\$228.65	\$229.75	\$230.86	\$231.97	\$233.08	\$234.19	\$235.30
51	222.31	223.38	224.48	225.60	226.73	227.87	229.02	230.17	231.33	232.49	233.65
52	220.13	221.25	222.39	223.55	224.72	225.91	227.11	228.31	229.52	230.72	231.93
53	217.87	219.03	220.22	221.42	222.64	223.88	225.12	226.37	227.63	228.88	230.14
54	215.52	216.73	217.96	219.21	220.48	221.76	223.06	224.36	225.66	226.97	228.27
55	213.08	214.34	215.61	216.91	218.23	219.56	220.91	222.26	223.62	224.98	226.33
56	210.55	211.85	213.18	214.53	215.90	217.28	218.68	220.08	221.49	222.91	224.32
57	207.92	209.27	210.65	212.05	213.47	214.91	216.36	217.82	219.29	220.76	222.22
58	205.19	206.59	208.03	209.48	210.96	212.45	213.96	215.48	217.00	218.52	220.05
59	202.36	203.82	205.30	206.81	208.35	209.90	211.46	213.04	214.62	216.20	217.79
60	199.43	200.94	202.48	204.05	205.64	207.25	208.87	210.51	212.15	213.80	215.44
61	196.39	197.95	199.55	201.18	202.83	204.50	206.19	207.89	209.59	211.30	213.01
62	193.24	194.86	196.51	198.20	199.91	201.65	203.40	205.16	206.94	208.71	210.48
63	189.98	191.66	193.37	195.12	196.90	198.70	200.51	202.34	204.18	206.03	207.87
64	186.62	188.35	190.13	191.93	193.77	195.64	197.53	199.42	201.33	203.24	205.16
65	183.16	184.94	186.77	188.64	190.55	192.48	194.43	196.40	198.38	200.36	202.35
66	179.59	181.42	183.31	185.24	187.21	189.21	191.23	193.27	195.32	197.38	199.44
67	175.91	177.80	179.75	181.74	183.77	185.83	187.93	190.04	192.16	194.30	196.43
68	172.13	174.07	176.07	178.12	180.22	182.35	184.51	186.70	188.90	191.11	193.32
69	168.24	170.24	172.30	174.41	176.56	178.76	180.99	183.25	185.52	187.81	190.10
70	164.24	166.30	168.41	170.58	172.80	175.06	177.36	179.69	182.04	184.41	186.78
71	160.14	162.25	164.42	166.65	168.94	171.26	173.63	176.03	178.46	180.90	183.35
72	155.95	158.10	160.33	162.62	164.97	167.36	169.80	172.27	174.77	177.28	179.82
73	151.66	153.86	156.15	158.49	160.90	163.36	165.86	168.40	170.97	173.57	176.18
74	147.29	149.54	151.87	154.27	156.74	159.26	161.83	164.44	167.08	169.75	172.44
75	142.84	145.13	147.50	149.96	152.48	155.07	157.70	160.38	163.10	165.84	168.60

**TABLE D**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$192.14	\$192.47	\$193.45	\$195.06	\$209.94	\$196.46
51	189.89	190.25	191.32	193.06	195.52	194.47
52	187.57	187.96	189.12	191.01	193.69	192.45
53	185.18	185.60	186.85	188.91	191.83	190.34
54	182.70	183.16	184.51	186.76	189.94	188.17
55	180.14	180.64	182.11	184.55	188.03	185.92
56	177.50	178.04	179.63	182.30	186.09	183.60
57	174.77	175.35	177.09	180.00	184.14	181.21
58	171.95	172.58	174.47	177.65	182.18	178.81
59	169.03	169.71	171.79	175.27	180.22	176.29
60	166.02	166.77	169.04	172.85	178.27	173.70
61	162.91	163.73	166.22	170.40	176.34	171.03
62	159.72	160.62	163.35	167.93	174.43	168.35
63	156.43	157.42	160.43	165.45	172.56	165.57
64	153.06	154.16	157.45	162.97	170.74	162.71
65	149.62	150.82	154.44	160.50	168.98	159.78
66	146.09	147.42	151.40	158.04	167.30	156.86
67	142.49	143.95	148.32	155.62	165.69	153.83
68	138.82	140.42	145.24	153.24	164.18	150.73
69	135.07	136.83	142.14	150.92	162.77	147.55
70	131.25	133.19	139.04	148.66	161.46	144.44
71	127.35	129.50	135.96	146.49	160.27	141.20
72	123.39	125.77	132.90	144.42	159.20	137.89
73	119.38	122.02	129.89	142.45	158.24	134.51
74	115.32	118.25	126.94	140.61	157.41	131.31
75	111.23	114.50	124.08	138.90	156.68	127.92

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$209.69	\$210.56	\$211.44	\$212.32	\$213.22	\$214.12	\$215.03	\$215.93	\$216.84	\$217.74	\$218.64
51	207.94	208.84	209.76	210.69	211.62	212.56	213.51	214.46	215.41	216.35	217.29
52	206.11	207.05	208.01	208.98	209.96	210.94	211.93	212.92	213.91	214.90	215.88
53	204.21	205.19	206.18	207.19	208.21	209.24	210.28	211.31	212.35	213.38	214.40
54	202.21	203.24	204.28	205.33	206.40	207.47	208.55	209.63	210.71	211.79	212.86
55	200.14	201.21	202.29	203.39	204.50	205.62	206.75	207.88	209.01	210.13	211.25
56	197.97	199.09	200.22	201.37	202.53	203.69	204.87	206.05	207.22	208.40	209.57
57	195.72	196.88	198.06	199.26	200.46	201.68	202.91	204.14	205.37	206.60	207.82
58	193.37	194.58	195.81	197.05	198.32	199.59	200.86	202.15	203.43	204.71	205.99
59	190.92	192.18	193.46	194.76	196.07	197.40	198.73	200.07	201.41	202.75	204.08
60	188.36	189.68	191.01	192.37	193.74	195.12	196.51	197.91	199.30	200.70	202.09
61	185.71	187.08	188.47	189.88	191.31	192.75	194.20	195.65	197.11	198.56	200.01
62	182.95	184.37	185.82	187.29	188.78	190.28	191.79	193.31	194.83	196.34	197.85
63	180.09	181.56	183.07	184.60	186.15	187.71	189.28	190.87	192.45	194.03	195.61
64	177.12	178.65	180.21	181.80	183.41	185.04	186.68	188.33	189.98	191.62	193.27
65	174.04	175.63	177.25	178.90	180.57	182.26	183.97	185.69	187.40	189.12	190.83
66	170.86	172.50	174.18	175.89	177.62	179.38	181.16	182.94	184.73	186.52	188.30
67	167.57	169.27	171.00	172.77	174.57	176.40	178.24	180.10	181.96	183.82	185.68
68	164.18	165.93	167.72	169.55	171.41	173.30	175.21	177.14	179.08	181.01	182.95
69	160.67	162.48	164.33	166.22	168.14	170.10	172.08	174.08	176.09	178.10	180.11
70	157.06	158.92	160.83	162.78	164.77	166.79	168.84	170.91	173.00	175.09	177.18
71	153.34	155.25	157.22	159.23	161.29	163.38	165.50	167.64	169.80	171.96	174.13
72	149.51	151.48	153.51	155.58	157.70	159.86	162.05	164.26	166.49	168.74	170.98
73	145.59	147.61	149.69	151.83	154.01	156.24	158.49	160.78	163.08	165.40	167.73
74	141.58	143.65	145.78	147.97	150.22	152.51	154.84	157.19	159.57	161.97	164.37
75	137.49	139.59	141.77	144.02	146.33	148.68	151.08	153.51	155.96	158.43	160.91

**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY  
WITH A FIRST MONTHLY PAYMENT OF \$1.00**

Option 5 -- Payment for a Designated Period

Years of Payment	Years of Payment
5	\$ 55.83
6	66.05
7	75.99
8	85.62
9	94.97
10	104.06
11	112.87
12	121.36
13	129.70
14	137.74
15	145.56
16	153.14
17	160.51
18	\$167.79
19	174.52
20	181.49
21	187.97
22	194.17
23	200.40
24	206.61
25	212.31
26	217.86
27	223.71
28	228.83
29	234.19
30	239.23

**Frequency of Payments.** Annuity payments under this Contract will be made monthly. If such payments would amount to less than \$25 each, We reserve the right to make less frequent payments. If at any time the annual rate of payment to any payee is less than \$100, We may make a lump sum payment of the remaining annuity value.

**4.17 Beneficiaries**

- (a) **Definition of Beneficiary.** A Beneficiary is the person or entity the Participant designates to receive any benefits payable upon the Participant's death.
- (b) **Designation of Beneficiary.** During the Participant's lifetime, he or she has the right to designate a Beneficiary and to change the designation. The change may be made by sending a written request to Our Home Office. The change will take effect when We have recorded the change. However, after the change is recorded, the change will be deemed effective as of the date of the written request for change. The change will be subject to any payment made or action taken by Us before the request is recorded.
- (c) **Payments to Beneficiary.** Unless otherwise provided in the Beneficiary designation:
  - (1) If any Beneficiary dies prior to the Participant, that Beneficiary's interest will pass to any other Beneficiary according to the surviving Beneficiary's respective interest.
  - (2) If no Beneficiary survives the Participant, death benefits will be paid to the Participant's estate.
  - (3) If any Beneficiary dies after the Participant, that Beneficiary's interest will pass to his or her Beneficiary or, if none, to his or her estate.

- (d) **Simultaneous Death Provision.** If We cannot determine whether the Participant or a Beneficiary died first in a common disaster, We will assume that the Beneficiary died first and make payments on that basis.
- (e) **Multiple Beneficiaries.** The Participant may designate two or more Beneficiaries to receive separate percentage interests in the death benefits payable under this Contract. Each such Beneficiary may separately exercise the rights that a Beneficiary has under this Contract.
- (f) **Trust or Estate as Beneficiary.** Payments to a beneficiary that is a trust or estate will be made only in a lump sum or in installments over a period not to exceed five years.

**4.18 Death Payment Provisions**

- (a) **Death During Accumulation Period.** If the Participant dies during the Accumulation Period, a death benefit is payable. The death benefit is the greater of (a) the Accumulation Value of the Participant's Account on the date We receive proof of death, or (b) 100% of Purchase Payments reduced by the amount of any prior withdrawals and further reduced by any portion of the Accumulation Value that has been applied under an Annuity Income Option.

Subject to Section 5.03, the death benefit is payable at any time the Participant's Beneficiary selects and in any form the Participant could have selected under this Contract.

(b) **Death During Annuity Period.** If the Participant dies during the Annuity Period, the amount of the death benefit, if any, will be based on the terms of the Annuity Income Option. Unless the Participant elected the Fourth Option, the Beneficiary may elect to receive the death benefit in one of the following forms:

- (1) Continuing annuity payments under the terms of the Participant's Annuity Income Option with the right, for Variable Annuities only, to receive the remaining payments in a lump sum at any time thereafter;
- (2) A lump sum; or
- (3) Annuity payments under another Annuity Income Option, based on the available lump sum and subject to the limitations of Section 5.03.

The lump sum available under these alternatives is the present value of remaining payments, discounted at the Assumed Investment

Rate, and based on the current Annuity Unit Value for (2) and (3), or the value next determined after receipt of the request at VALIC's Home Office for (1).

(c) **Investment Options and Other Rights.** Until the death benefits have been fully paid, the Participant's Beneficiary will be entitled to exercise all the Investment Options and other rights the Participant can exercise under this Contract. Unpaid death benefits that have not been applied under an Annuity Income Option will have an Accumulation Value determined in the same manner as the Participant's Accumulation Value.

(d) **Proof of Death.** Proof of death may be made by sending VALIC a certified copy of the death certificate, a certified copy of a decree of a court of competent jurisdiction as to death, a written statement by an attending physician, or any other proof satisfactory to VALIC .

## Section 5 - CODE REQUIREMENTS AND RETIREMENT PLAN PROVISIONS

5.01 **Salary Reduction Purchase Payments** - If the Participant's Purchase Payments are made under a voluntary salary reduction agreement as part of a Tax-Deferred Annuity arrangement under Section 403(b) of the Code, i) there may not be a separate Plan document, in which case the Contract is the Plan, and ii) in either case the following restrictions apply:

(a) Limit on Purchase Payments. A Participant's salary reduction Purchase Payments may not exceed the limits of Section 402(g) of the Code. We reserve the right to refund excess Purchase Payments.

(b) Withdrawal Restrictions. The Participant's Accumulation Value attributable to salary reduction Purchase Payments cannot be withdrawn or otherwise distributed before the Participant is 59 1/2 years old, unless the Participant (1) has separated from service with the employer maintaining the Plan, (2) dies, (3) becomes disabled (see Section 4.06(c)), or (4) has incurred a hardship (hardship withdrawals are not available for earnings on salary reduction purchase payments). This limitation will be applied in a manner consistent with the requirements of Section 403(b)(11) of the Code. Equivalent withdrawal restrictions apply to any portion of the Accumulation Value that is attributable to Purchase Payments representing amounts directly transferred from a custodial account under Section 403(b)(7) of the Code.

### 5.02 Minimum Distributions After Age 70 1/2

(a) General Rules. The Participant's benefits under the Contract must satisfy minimum distribution rules of the applicable section of the Code and regulations issued by the Secretary of the Treasury under the applicable section. These minimum distribution rules generally require that benefits begin after the Participant is 70 1/2 years old and that the minimum amount is paid each year. Payments may be made in the form of annual withdrawals or under an Annuity Income Option.

Code Sections which apply are: (i) Section 401(a)(9) for contracts issued for a Plan intended to meet Sections 401(a) and/or 403(a), (ii) Section 403(b)(10) for Section 403(b) contracts, and (iii) Section 457(d) for deferred compensation plans under Section 457.

(b) Minimum Annual Withdrawals. The minimum withdrawal is set each year based on the Accumulation Value and the life expectancy of the Participant and the Participant's Beneficiary. The Participant may elect to have life expectancies computed for each year's distribution, or to use the life expectancies computed at the first distribution (reduced by one year for each annual withdrawal) for all later distributions. If the Participant's Beneficiary is not the Participant's spouse, the annual withdrawal must meet the minimum distribution incidental benefit requirements.

(c) Annuity Income Option. If the Participant elects payments under an Annuity Income Option, the guaranteed or expected period of payments under the Annuity Income Option may not exceed the Participant's life expectancy and that of the Participant's Beneficiary at the Annuity Date, or a shorter period if the Participant's Beneficiary is not the Participant's spouse.

(d) 403(b) Exception to General Rule. Any amount added to the Contract which was initially within a Section 403(b) contract prior to January 1, 1987 and continually since then, may either be paid in a manner which meets these rules or must (1) begin to be paid when the Participant is age 75; and (2) the present value of payments expected to be made to the Participant, over life, under the option chosen must exceed 50% of the present value of all payments expected to be made ("the 50% rule"). Notwithstanding, the Participant's entire Section 403(b) Contract balance must meet the minimum distribution incidental benefit requirement of Section 403(b)(10).

### 5.03 Minimum Death Benefit Distributions

(a) General Rules. The death benefit, if any, payable to the Participant's Beneficiary must also satisfy the rules of Section 401(a)(9)(B), Section 403(b)(10) or Section 457(d), whichever may be applicable, and the regulations issued under such sections by the Secretary of the Treasury. The post-death rules of these sections limit the extent to which a Beneficiary may delay payment of death benefits. The Participant's Beneficiary may satisfy these rules by receiving a lump

- sum, annual withdrawals, or payments under an Annuity Income Option.
- (b) **Death Before Distributions Begin.** If the Participant dies before payments under an Annuity Income Option (or post-age 70 1/2 withdrawals) have begun, the Participant's Beneficiary must either receive the whole benefit by the end of the fifth year following the year of the Participant's death or receive the benefit in installment payments over his or her life or life expectancy if payments begin by the calendar year following the year of the Participant's death. The Participant's spouse beneficiary may delay distributions until the Participant would have reached age 70 1/2.
- (c) **Death After Distributions Begin.** If the Participant dies after payments under an Annuity Income Option (or post-age 70 1/2 withdrawals) have begun, the death benefit must be paid at least as fast as under the method the Participant selected.
- 5.04 Direct Rollovers** - If any benefit payable under this Contract constitutes an "eligible rollover distribution" within the meaning of Section 402 of the Code, the Participant has the right to elect to have such distribution paid directly to an "eligible retirement plan" in a transaction designated under the Code as a "direct rollover." Before any eligible rollover distribution is made to the Participant, we will provide the Participant with a written explanation of the Participant's right to make a direct rollover and the tax consequences of making or not making a direct rollover. No surrender, withdrawal, or other benefit distribution that constitutes an eligible rollover distribution will be made to the Participant under this Contract, unless the Code's requirements applicable to eligible rollover distributions have been satisfied. Except for eligible rollover distributions, We reserve the right to make payments only to the Participant or the Participant's Beneficiary.
- 5.05 Plan Provisions** - The Plan, including certain Plan provisions required by the Employee Retirement Income Security Act of 1974 (ERISA) or other applicable law, may limit the Participant's rights under this Contract. The Plan provisions may:
- (a) Limit the Participant's right to make Purchase Payments;
  - (b) Restrict the time when the Participant may elect to receive payments under this Contract;
- (c) Require the consent of the Participant's spouse before the Participant may elect to receive payments under this Contract;
- (d) Require that all distributions be made in the form of a joint and survivor annuity for the Participant and the Participant's spouse, unless both consent to a different form of distribution;
- (e) Require that the Participant's spouse be designated as Beneficiary;
- (f) Require that the Participant remain employed with the Contract Owner for a specified period of time before the Participant's rights under the Contract become fully vested; or
- (g) Otherwise restrict the Participant's exercise of rights under the Contract or give the Contract Owner (or a Plan representative) the right to exercise certain rights on the Participant's behalf.
- No such Plan provision shall limit a Participant's rights under this Contract, unless the Contract Owner has provided VALIC with written notification of such provision. In no event shall any such Plan provision enlarge VALIC's obligations under this Contract.
- 5.06 Nonqualified Deferred Compensation Plans** - If the Contract has been issued for a nonqualified and unfunded deferred compensation plan, the Contract Owner possesses all rights under the Contract. No Participant or Beneficiary will have any enforceable right to make elections under this Contract or to receive benefits from VALIC. The Contract Owner may direct that all benefit payments be made to the Contract Owner, or the Contract Owner may authorize VALIC to make benefit payments directly to Participants and Beneficiaries as the Contract Owner's payment agent under the Plan. The Contract Owner may also authorize VALIC to follow Participant requests with regard to the allocation of Purchase Payments among Investment Options, transfers among Investment Options, and other elective rights provided by this Contract. If the Contract Owner authorizes VALIC to act as payment agent under the Plan or to follow Participant requests, the Contract Owner may revoke or modify that authorization at any time without prior notice to Participants.

Notwithstanding any provision of the preceding paragraph to the contrary, if this Contract is issued for or held under an eligible deferred compensation plan of a governmental employer, which meets or is required to meet the requirements of Code Section 457(g)(1) by placing the assets of the plan in a qualifying trust, custodial account, or annuity contract, this Contract shall be held for the exclusive benefit of Participants and their Beneficiaries. The provisions and limitations of Section 2.03, 5.05 and 6.02 shall apply to this Contract and to the interests of any Participant or Beneficiary therein, to the fullest extent necessary to comply with the requirements of the Code and the Plan. We will rely upon the Contract Owner's instructions as being consistent with the Plan unless We have actual notice to the contrary. For the purpose of Section 6.01, such a plan shall not be treated as an "unfunded deferred compensation plan."

## Section 6 - GENERAL PROVISIONS

- 6.01 **Participant Certificates** - We will issue certificates to each Participant unless this Contract is issued with respect to a nonqualified and unfunded deferred compensation plan. Each certificate will set forth the benefits to which the Participant is entitled under the Contract. Certificates are not a part of this Contract.
- 6.02 **Assignment** - This Contract cannot be sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights under this Contract are not subject to any creditor claims to the fullest extent permitted by law. This Contract and its rights cannot be transferred to anyone other than Us, except as provided under the Plan or under a domestic relations order properly issued by a court of competent jurisdiction and that complies with ERISA, if applicable. To the extent permitted by the Code and applicable law, We will make a Cash Surrender or Withdrawal payable to a third party upon the Participant's request.
- 6.03 **Vesting** - Except as may be provided in the Plan, the Participant's rights under this Contract are fully vested and nonforfeitable. Separate Account A holds all assets for Variable Investment Options for the exclusive benefit of Participants, Beneficiaries, and other holders of annuity contracts.
- 6.04 **Written Notices to Us** - Except as specifically provided otherwise, any Notice of change, election, choice, option or other exercise of right given under the Contract must be in writing on a form provided by Us, or on a form and in a manner acceptable to Us. Such Notice will be effective when it is received in Our Home Office.
- 6.05 **Change of Contract** - We may change this Contract to the extent it is required or deemed advisable to do so in order to conform the Contract to applicable law. In addition, upon at least 30 days written notice to the Contract Owner, we may make other changes to this Contract that will apply only to individuals who become Participants after the effective date of such change. All changes We make will be subject to any applicable regulatory requirements.
- 6.06 **Future Participants** - We may at our discretion curtail or prohibit new Participants under this Contract upon written notice to the Contract Owner.
- 6.07 **Reports** - We will send the Participant a Separate Account financial report twice each year if the Participant has values in any Variable Investment Option. We will send to the Participant, at least annually, a statement showing the dollar value of all investment options, investment performance since the prior statement, and as applicable, the number and value of any Variable Accumulation Units credited to the Participant's Account. All statements will be mailed within two months of the date of the information.
- 6.08 **Voting Rights** - We will hold the voting rights on all shares held in the Separate Account. To the extent of this Contract's participation in the Separate Account through one or more Variable Investment Options, We will vote those shares as instructed. The Participant, or the Beneficiary, if the Participant has died, will have the voting instruction rights prior to the Annuity Date. The annuity payee will have the voting instruction rights on and after the Annuity Date.
- 6.09 **Suspension of Payments** - VALIC reserves the right to suspend payments under the Separate Account for any period when: (a) the New York Stock Exchange is closed (other than customary weekend and holiday closings); (b) when trading on the Exchange is restricted; (c) when an emergency prevents disposal of securities held in the Separate Account or it is not reasonably practicable to determine the value of the Separate Account's net assets; or (d) during any other period when the Securities and Exchange Commission, by order, so permits for the protection of security holders.
- 6.10 **Deferral of Cash Surrender or Withdrawal** - VALIC may defer payment of any surrender of amounts accumulated in Fixed Interest Options. Deferral shall not exceed six months from the receipt of written notice at the Home Office. Interest shall be paid if payment is deferred for thirty days or more at a rate as determined by VALIC.

- 6.11 **Proof of Survival** - We reserve the right to require satisfactory proof that the Participant and any payee is alive on the date any benefit payment is due. If this proof is not received after requested in writing, VALIC will have the right to make reduced payments or to withhold payments entirely until such proof is received.
- 6.12 **Substitution of Investment Fund Shares** - If shares of a particular Investment Fund are not available or if, in the judgment of VALIC, such shares are no longer appropriate for a Variable Investment Option, shares of another Investment Fund may be substituted for the Investment Fund shares already held under the Variable Investment Option and for those to be purchased by future Purchase Payments or transfers under this Contract. In the event any substitution occurs, VALIC will notify the Contract Owner within five days.
- 6.13 **Minimum Benefit** - The paid up annuity, cash surrender or death payment available under this Contract will not be less than the minimum benefits required by any statute of the state in which the Contract is delivered.
- 6.14 **Separate Account** - That portion of the assets of the Separate Account equal to the reserves and other contract liabilities with respect to the Separate Account shall not be chargeable with liabilities arising out of any other business We may conduct. Income, gains and losses, whether or not realized, from assets allocable to the Separate Account are credited to or charged against such account without regard to Our other income, gains or losses.



**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
(the "Company")  
**2929 Allen Parkway**  
**Houston, Texas 77019**

**AMENDATORY ENDORSEMENT**

This Endorsement is made a part of the group annuity contract ("Contract") to which it is attached. This Endorsement shall supersede certain provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement. All capitalized terms not otherwise defined in this Endorsement shall have the same meaning as ascribed in the Contract. This Endorsement amends the Contract as follows:

1. **Guaranteed Minimum Interest Rate.** This Endorsement changes both the guaranteed minimum interest rate that will be credited to amounts in the fixed interest options and the guaranteed minimum interest rate that will be used to determine fixed annuity payments during the Annuity Period as follows:
  - (i) The guaranteed minimum interest rate that will be credited to amounts in the fixed interest options for a Participant Account during the Accumulation Period will be shown in the group annuity certificate or applicable endorsement for that Participant Account. In compliance with applicable state nonforfeiture law, the guaranteed minimum interest rate will be at least equal to the lesser of 3.0% per annum or the following:
    - a. The one-month average value of the five-year Constant Maturity Treasury Rate reported by the Federal Reserve, rounded to the nearest 1/20<sup>th</sup> of 1.0%, for the second month preceding the first day of the calendar quarter during which the certificate for a Participant Account is issued, reduced by 1.25%, and where the resulting interest rate is not less than 1.0%.
  - (ii) The guaranteed minimum interest rate that will be used to determine minimum fixed annuity payments during the Annuity Period is 1.5% per year.
2. **Deferral of Payments.** In accordance with state law, We may defer payments up to six months after receiving a request for a full and immediate surrender of the Contract that would otherwise be permitted there under, including amounts accumulated in the fixed interest options, provided however that exercise of such authority shall be subject to written approval by the insurance commissioner of the state where this Contract is issued. If We defer payment pursuant to this Section 2, interest will accrue until the payment is made.

All other terms and conditions of the Contract (as modified by any other endorsement issued therewith) remain unchanged. The provisions of this Endorsement shall be effective on the Contract date of issue.

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**



Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
**2929 Allen Parkway**  
**Houston, Texas 77019**

**DEATH BENEFIT ENDORSEMENT**

This Endorsement is made a part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). This Endorsement shall supersede any inconsistent provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement.

The following additional provisions shall apply to any death benefit prior to the Annuity Period that is determined under Section 4 of the Contract. The term "You" as used in this Endorsement means the person who is the measuring life for the death benefit, which may be the Contract Owner, Participant or Annuitant depending on the term specified in the Contract to which this Endorsement is attached.

If the total amount of any death benefit payable from the Fixed Interest Options and Variable Investment Options of the Contract exceeds the Accumulation Value as of the date we receive proof of death, such total death benefit shall not exceed an Adjusted Purchase Payment Amount, determined as follows:

- a) On the Contract Date the Adjusted Purchase Payment Amount shall be the sum of all Purchase Payments under the Contract. On any date after the Contract Date the Adjusted Purchase Payment Amount shall be increased by additional Purchase Payments made to the Contract, and reduced proportionately by all prior Gross Withdrawals in the manner described in (c) below.
- b) Gross Withdrawals shall include all withdrawals and associated fees and charges as well as any portion of the Accumulation Value that has been applied for an Annuity Income Option.
- c) Each Gross Withdrawal shall result in a proportionate reduction in the Adjusted Purchase Payment Amount, determined by multiplying the Adjusted Purchase Payment Amount, measured immediately prior to the Gross Withdrawal, by a fraction. Such fraction shall be equal to the Gross Withdrawal divided by the Accumulation Value immediately prior to the Gross Withdrawal.

All other terms and conditions of the Contract (as modified by any other endorsement issued therewith) remain unchanged. Signed for the Company to be effective on the Date of Issue.

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

  
\_\_\_\_\_  
Julie Cotton Hearne  
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY  
2929 Allen Parkway  
Houston, Texas 77019

NON-ERISA LOAN ENDORSEMENT

**I. APPLICABILITY**

This Endorsement applies only to loans granted or renewed after delivery of this Endorsement under VALIC annuity Contracts or Certificates sold under retirement plans not covered by the Employee Retirement Income Security Act of 1974, as amended (ERISA). This Endorsement is made a part of the Contract or Certificate to which it is attached and will not change any other provisions of the Contract or Certificate.

**II. DEFINITIONS**

**Adjusted Surrender Charge** – the Reserved Surrender Charge, reduced pro rata by Loan Balance repayments.

**Defaulted Loan Amount** – the Loan Balance, plus the interest on any delinquent quarterly payments.

**Employer** – the employer who sponsors the Plan under which the Contract or Certificate is maintained.

**Foreclosure Amount** – the Defaulted Loan Amount, plus Adjusted Surrender Charge.

**Loan Balance** – the principal loan balance outstanding at any given time.

**Loan Year** – a one-year period beginning on the effective date of the loan and subsequent anniversaries.

**Participant** – the individual to whom a loan is made.

**Plan** – the employer-sponsored retirement plan or annuity purchase arrangement under which the Contract or Certificate was issued.

**Qualified Plan** – as used herein, employer-sponsored plans intended to meet the requirements of sections 401(a), 403(a), 403(b), or 457(b) of the Internal Revenue Code of 1986, as amended.

**Reserved Surrender Charge** – the Contract surrender charge that would apply as if the Loan

Balance had been surrendered at the start of the loan term.

**Security Reserve** – the portion of cash value held in reserve as security for the loan, made up of the Loan Balance, the loan interest due with a quarterly loan payment, the Reserved Surrender Charge, if applicable, and all interest credited to the foregoing amounts.

**III. AMOUNT OF LOAN**

The availability and amount of a loan are subject to any applicable restrictions in the Plan and federal tax law. Both fixed and variable investment options, if applicable, of the contract value will be considered for purposes of determining the amount that qualifies for a loan. However, only the nonforfeitable portion of a fixed investment option may be used as security for a loan. Such portion must equal or exceed the initial Security Reserve.

A loan, when added to the Participant's existing indebtedness under the Plan or any other Qualified Plan sponsored by the Employer, cannot exceed the lesser of \$50,000 or 50% of the present value of the Participant's nonforfeitable accrued benefit under all such plans of the Employer. However, the \$50,000 limit may be reduced by the excess, if any, of (a) the highest outstanding balance of loans from such plans during the one-year period ending on the day before the date on which the loan is made, over (b) the outstanding balance of loans from the plans on the date on which such loan was made. The 50% limit described above does not apply when the loan amount requested is \$10,000 or less.

VALIC may from time to time establish minimum loan amounts and limits on the number of loans permitted to be outstanding at any given time. VALIC also reserves the right to assess at the time of loan application a loan processing fee of up to \$75.

#### **IV. TERMS OF LOAN**

VALIC may make loans to the Participant at any time before annuity payments begin. Loan interest will be charged at an annual effective rate of up to 3% above the minimum interest rate guaranteed in the Contract or Certificate. The loan, plus interest, will be repaid in equal amortized quarterly payments due on the last day of each quarter of each Loan Year.

The loan must be repaid within ten years if used to buy the Participant's principal residence. It must be repaid within five years if used for any other purpose. The loan may be repaid in full or in part before the Contract or Certificate is surrendered or annuity payments begin.

#### **V. SECURITY FOR LOAN**

The Security Reserve as defined above provides the security for the loan. No withdrawals or transfers from the Security Reserve may be made until the loan is fully repaid or foreclosed upon.

#### **VI. EFFECTS OF LOAN BENEFITS**

Until the loan is defaulted or repaid, the portion of the Security Reserve in the amount of the Loan Balance and accumulated loan interest thereon will earn the Contract's or Certificate's minimum guaranteed annual effective interest rate. An interest rate, as declared by VALIC's Board of Directors, will be credited on the portion of the Security Reserve in excess of the Loan Balance and loan interest thereon. This rate will not be less than the Contract's or Certificate's minimum guaranteed annual effective interest rate.

Upon annuitization, surrender or death, the annuity value, cash value or death benefit, as applicable, will be reduced by the Foreclosure Amount.

#### **VII. LOAN DEFAULT**

If a loan payment is not made within 30 days after the due date, the loan is in default and the Defaulted Loan Amount will become due and payable to VALIC. The Defaulted Loan Amount will be treated as a distribution under federal tax law and will be reported on an applicable tax reporting form. (Caution: Such a distribution before age 59½ may result in a tax penalty.) After default, the portion of the Security Reserve in an amount equal to the Loan Balance and loan interest will continue to earn interest at an annual effective rate equal to the minimum guaranteed interest rate under the Contract or Certificate until the loan is repaid or VALIC is permitted to foreclose on its Security Reserve to the extent of the Foreclosure Amount.

#### **VIII. LOAN FORECLOSURE**

If the loan is not repaid, the Foreclosure Amount will be deducted from the Security Reserve and paid to VALIC. If any portion of the Security Reserve may not be withdrawn because of tax or Plan restrictions, foreclosure on the Security Reserve will not occur until such restrictions no longer apply. The Adjusted Surrender Charge, if applicable, will be calculated at foreclosure. Any Security Reserve in excess of the Foreclosure Amount will remain credited to the Contract or Certificate.

#### **THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**



Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
**Houston, Texas**

**MARKET VALUE ADJUSTMENT OPTION ENDORSEMENT**

The contract or certificate (hereinafter referred to collectively as "Contract") to which this Endorsement is attached is amended to add a market value adjusted option ("MVA Option") to the option or options otherwise available under the Contract during the Contract's accumulation period.

1. **Effective Date.** The effective date of this Endorsement is the date of issue of the Contract unless another date is shown below.
2. **Minimum Benefits.** The paid up annuity, cash surrender or death payment available under the Contract, including this MVA Option, will not be less than the minimum benefits required by any statute of the state in which the Contract is delivered.
3. **Definitions.** The following definitions will govern the interpretation of this Endorsement:

**MVA Band:** A single MVA allocation that will be credited with the stated MVA Interest Rate for the identified MVA Term.

**MVA Interest Rate:** The effective annual interest rate credited during the applicable MVA Term. The MVA Interest Rate will be declared in advance of the applicable MVA Term. Interest is credited to Your MVA Option daily. All interest rates quoted are effective annual rates. This is the yield that results after interest has compounded daily for a full year.

We set interest rates according to the following guidelines:

- We guarantee your MVA Option will earn at least the minimum interest rate applicable to fixed interest options in the Contract, regardless of future economic conditions.
- An amount allocated to the MVA Band will earn interest at the applicable MVA Interest Rate for the MVA Term. For subsequent MVA Terms, we will declare the MVA Interest Rate before the beginning of each MVA Term.

**MVA Term:** The period of time for which the MVA Interest Rate is guaranteed and during which a market value adjustment will be applied to any withdrawals. You may select from two or more MVA Terms at any time for an amount that is not less than the minimum amount described in this Endorsement. This amount may include new premium to the Contract and/or amounts transferred from one or more other options available under the Contract. Any transfer from another Contract option will be subject to any limitations imposed under the Contract. However, We may, from time to time, waive any such restrictions in a manner that is not unfairly discriminatory to any person. You may not elect an MVA Term that extends beyond a scheduled annuity commencement involving part or all of the amounts to be held under the MVA Band.

**MVA Annuity Value:** The amount available to be applied to an annuity option offered under the Contract, equal to:

- The amounts allocated to this MVA Option, for any and all MVA Bands;
- Plus all interest earned under this MVA Option;
- Minus any deductions otherwise applied under the Contract;
- Minus any previous withdrawals from any and all MVA Bands and related early withdrawal charges under the Contract.

**MVA Withdrawal Value:** The amount You will receive under this MVA Option, upon full withdrawal, after the market value adjustment has been applied and after any applicable early withdrawal charges have been deducted, equal to:

- The MVA Annuity Value;
- Plus or minus the Market Value Adjustment (see paragraph 7 of this Endorsement);
- Minus any early withdrawal charge applicable under the Contract;

**We, or Us:** Refers to The Variable Annuity Life Insurance Company, the issuer of the Contract and this Endorsement.

**You or Your:** Refers to the person, including any corporation, trustee, or other non-natural person, that is authorized to direct the allocation of amounts held under the Contract.

4. **Your Rights under this Endorsement.** You will have all rights described in the Contract under this MVA Option, subject to the rules and limitations described in the Contract or in this Endorsement.
5. **Allocations to MVA Option.** You may allocate or reallocate amounts under the Contract to the MVA Option, for one or more MVA Bands with the same or different MVA Terms, subject to any requirements and limitations described in this Endorsement or in the Contract. Except as otherwise provided in this Endorsement, once funds have been allocated to an MVA Band, no additional premium or transfers may be made to that MVA Band. Multiple transfers or deposits to the MVA Option for a single MVA Band may be permitted if We receive them on the same day. The minimum amount to establish each MVA Band is determined by Us but will never be more than \$25,000.
6. **Date of Withdrawal.** For purposes of determining the market value adjustment, all withdrawals will be deemed to have occurred on the date that We receive the withdrawal request, unless You specify a later date in the request.
7. **Market Value Adjustment.** Except as otherwise provided in this Endorsement, any withdrawal from an MVA Band, including transfers from the MVA Band to other available options in the Contract (including a different MVA Band), will be subject to the application of a Market Value Adjustment, except during the 30 days following the end of an MVA Term applicable to that MVA Band.

The effect of the market value adjustment may be positive or negative. If, on the date of a withdrawal, the index rate described below (plus 0.25%) is higher than that index rate as of the contract's date of issue, the effect of the market value adjustment will be negative. If, on the date of a withdrawal, the index rate (plus 0.25%) is lower than that index rate as of the contract's date of issue, the effect of the market value adjustment will be positive. Any negative adjustment will be waived to the extent that it would decrease the withdrawal value below the minimum guaranteed value described in the definition of MVA Interest Rate.

The market value adjustment is determined by the formula below, using the following factors:

- A is an index rate determined at the beginning of each MVA Term, for a security with time to maturity equal to that MVA Term;
- B is an index rate determined at the time of withdrawal, for a security with time to maturity equal to the current MVA Term;
- N is the number of months remaining in the current MVA Term (rounded up to the next higher number of months); and,
- The index rates for A and B will be the U.S. Treasury Yield as quoted by Bloomberg or a comparable financial market news service, for the maturity equal to the MVA term, using linear interpolation as appropriate.

The market value adjustment will equal:

The Amount surrendered or transferred out prior to the end of the MVA Term multiplied by:

$$[(1 + A) / (1 + B + 0.0025)]^{(N/12)} - 1$$

The market value adjustment will be added to or deducted from the amount being withdrawn or transferred.

Index rates for any calendar month will equal the average of index rates for the last 5 trading days of the previous calendar month.

8. **Early Withdrawal Charge.** In addition to any positive or negative market value adjustment, any early withdrawal charge which would otherwise apply under the Contract will be deducted from any amount withdrawn (after the application of the market value adjustment) which exceeds the amount of any permitted free withdrawals as described in the Contract.
9. **Partial Withdrawals.** You may withdraw a portion of the MVA Annuity Value any time after the Effective Date of this Endorsement for withdrawal from the Contract or for transfer to another option under the Contract, which could include another MVA Band. Withdrawal requests must be for a minimum determined by Us but not more than \$500. Your withdrawal, plus or minus the market value adjustment, plus any early withdrawal charge, will be deducted from your MVA Annuity Value. To the extent that a partial withdrawal request would cause the value of an MVA Band to be less than an amount determined by Us but not more than \$2,000, that portion of the request will be denied unless you agree to

withdraw all amounts from the MVA Option, either for withdrawal from the Contract, where permitted, or for transfer to another Contract investment option that You select.

10. **Annuitization.** If You elect to apply some or all of the MVA Annuity Value under Your Contract to an annuity option, that amount will be applied to a fixed annuity option under the Contract, without application of the Market Value Adjustment.
11. **Subsequent MVA Terms.** At the end of any MVA Term, a subsequent MVA Term will begin for the MVA Band. Each subsequent MVA Term for the MVA Band will be of the same duration as the previous MVA Term, unless You notify Us in writing before the end of the then-current MVA Term that you are selecting an MVA Term of a different duration. You may not elect an MVA Term that extends beyond a scheduled annuity commencement involving part or all of the amounts to be held under the MVA Band. The MVA Interest Rate credited during a subsequent MVA Term will be the rate in effect on the date that subsequent MVA Term begins. You may take a full or partial withdrawal of the affected amount without a market value adjustment within 30 days following the end of an MVA Term (i.e., during the first 30 days of a subsequent MVA Term).
12. **Loans, Automatic Allocations, Automatic Withdrawals and Other Automatic Transactions Affecting Contract Options.** Loans are not available from the MVA Option. However, if the Contract contains a loan feature, the MVA Annuity Value will be considered when determining the amount of any loan available from options other than the MVA Option. Automatic allocations to the MVA Option, or automatic withdrawals from or transactions involving the MVA Option, will not be processed without Your direction and Our consent.
13. **Withdrawals From Multiple MVA Bands.** In the event that you have allocated amounts to multiple MVA Bands, We reserve the right to establish uniform ordering rules with respect to partial withdrawals from the MVA Option, subject to any requirements or limitations under the laws of the state in which the Contract is issued.
14. **Distributions required by Law, or Upon Your Death.** We reserve the right to waive any otherwise applicable Market Value Adjustment in the event that a distribution is required by the Contract, by the plan under which the Contract is issued, or under the Internal Revenue Code. The Market Value Adjustment will not apply to a distribution following your death, or if You are not a natural person, upon the death of the annuitant designated under the Contract.



\_\_\_\_\_  
Julie Cotton Hearne  
Secretary



\_\_\_\_\_  
Kevin T. Hogan  
President

Endorsement Effective Date: 07/28/2006

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

(the “Company”)  
2929 Allen Parkway  
Houston, Texas 77019

**QUALIFIED ACCOUNT CONTRACT ENDORSEMENT**

This Endorsement is made part of the individual annuity contract or group annuity contract or certificate to which it is attached (the “Contract”). The Contract is issued in connection with employer-sponsored retirement plans described under Internal Revenue Code Sections 401, 403, and 457. The specific type of plan is identified on the annuity application. In the case of any conflict between the terms of the Contract and the terms of this Endorsement, the terms of this Endorsement will control.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term “Applicable Law” means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and the laws of the state in which the Contract was issued.

1. **Owner and Annuitant.** The Owner may be the Participant or the employer (“Employer”) sponsoring the plan described in Section 401, 403 or 457 of the Code (“Plan”) or, subject to approval by the Company, such other person as the Employer may designate, provided that the Employer’s designation must be consistent with the requirements of the Code. The Annuitant shall be the Participant for whom a Participant account under the Contract is established.
2. **Effect of Plan.** Rights under the Contract shall be exercised by the Participant or a Beneficiary (upon the death of the Participant), except to the extent that the Plan otherwise provides, and the exercise of rights under the Contract by the Owner, the Participant, or a Beneficiary, shall be subject to any limitations set forth in the Plan and the Code. However, neither the Plan nor the Code may enlarge the rights otherwise applicable under the Contract. The Owner shall be responsible for determining that any directions given to the Company with respect to transactions under the Contract are consistent with the Plan and the Code. The Company will rely on the Owner’s instructions as being consistent with the Plan unless the Company has actual notice to the contrary. In the case of a group Contract, if the Contract offers more than one investment alternative, the Employer may direct the Company to accept investment allocation and reallocation instructions from the Participant, and if applicable, from a Beneficiary.

The Plan, including certain Plan provisions required by ERISA or other Applicable Law, may limit the Participant’s rights under this Contract. The Plan provisions may:

- a. Limit the Participant’s right to make Purchase Payments;
- b. Restrict the time when the Participant may elect to receive payments under this Contract;
- c. Require the consent of the Participant’s spouse before the Participant may elect to receive payments under this Contract;
- d. Require that all distributions be made in the form of a joint and survivor annuity for the Participant and the Participant’s spouse, unless both consent to a different form of distribution;

- e. Require that the Participant's spouse be designated as Beneficiary;
- f. Require that the Participant remain employed with the Contract Owner for a specified period of time before the Participant's rights under the Contract become fully vested;
- g. Otherwise restrict the Participant's exercise of rights under the Contract or give the Contract Owner (or a Plan representative) the right to exercise certain rights on the Participant's behalf.

No such plan provision shall limit a Participant's rights under this Contract, unless the Contract Owner has provided Company with written notification of such provision. In no event shall any such Plan provision enlarge Company's obligations under this Contract.

### **3. Nontransferability and Nonforfeitability**

A Participant's beneficial interest in the Contract may not be transferred, sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights of Participants under this Contract are not subject to any creditor claims to the fullest extent permitted by law. A Participant's beneficial interest in the Contract shall be non-forfeitable except to the extent of any vesting schedule which is provided in the Plan and which is consistent with Applicable Law. The limitations of this paragraph will not prohibit a loan to the Participant that would be permitted under applicable provisions of the Code and ERISA.

### **4. Salary Reduction Purchase Payments**

If the Participant's Purchase Payments are made under a voluntary salary reduction agreement as part of a Tax-Deferred Annuity arrangement under Section 403(b) of the Code, (i) there may not be a separate Plan document, in which case the Contract along with related endorsements is the Plan, and (ii) in either case the following restrictions apply:

- a. **Limit on Purchase Payments.** Contributions (not including transfers and rollovers) may be made to the Participant Account or Contract up to the applicable limits set forth in the Code and the Plan. Except as otherwise provided herein, elective deferrals by the Participant to the Participant Account or Contract may not exceed the limits set forth in Section 402(g).

Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Participant Account or Contract have exceeded the limits imposed under the Contract.

- b. **Withdrawal Restrictions.** In addition to any other surrender, benefit, withdrawal or transfer restrictions in the Contract, distributions to Participants will be subject to the limitations applicable under Code Section 403(b). To the extent required under Code Section 403(b)(11), distributions to a Participant of elective deferrals and earnings thereon may be made only upon or after the Participant's attainment of age 59 1/2, severance of employment, death, or disability. Distributions of such elective deferrals, and any earnings on such deferrals in an annuity contract as of December 31, 1988, may also be made in the event of financial hardship. The same or similar restrictions shall apply to all amounts transferred from a Code Section 403(b)(7) custodial account,

including contributions other than elective deferrals and earnings on such contributions. Except as otherwise required under the Contract or the sponsoring employer's Plan (if any), the foregoing restrictions on distributions shall not prevent a transfer to another investment option within the Plan or another contract or account described in Code Section 403(b). Notwithstanding the foregoing, no distribution or transfer from the Participant account or Contract will be permitted if it would have the effect, directly or indirectly, of avoiding or circumventing a transfer or similar restriction applicable under the Contract.

## **5. Excess Contributions**

Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

## **6. Cessation of Contributions**

The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.

## **7. Direct Rollover**

- a. Subject to the limitations in Section 10 of this Endorsement, a distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an "Eligible Rollover Distribution", may be transferred in a qualifying rollover directly to any "Eligible Retirement Plan" within the meaning of Section 402 of the Code. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal Beneficiary. Before any Eligible Rollover Distribution is made to the Participant, Company will provide the Participant with a written explanation of the Participant's right to make a direct rollover. No surrender, withdrawal, or other benefit distribution that constitutes an Eligible Rollover Distribution will be made to the Participant under the Contract, unless the Code's requirements applicable to Eligible Rollover Distributions have been satisfied. Except for Eligible Rollover Distributions, Company reserves the right to make payments only to the Participant or the Participant's Beneficiary.
- b. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
- c. This Contract will accept Eligible Rollover Distributions from other plans, provided however, that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.

## **8. Required Distributions.**

Unless an exception otherwise applies under Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with the requirements of Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this Contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract. Any Beneficiary of a Participant who is entitled to an amount under the Contract upon the death of the Participant will be permitted to elect any distribution option that is permitted under the Code and that is otherwise available under the Contract and the Plan, with respect to such amount.

## **9. Nonqualified Deferred Compensation Plan.**

- a. Unfunded Deferred Compensation Plan. If the Contract has been issued under a nonqualified and unfunded deferred compensation plan, the Contract Owner possesses all rights under the Contract. No Participant or Beneficiary will have any enforceable right to make elections under this contract or to receive benefits from the Company. The Owner may direct that all benefit payments be made to the Owner, or the Owner may authorize Company to make benefit payments directly to Participants and Beneficiaries as the Owner's payment agent under the Plan. The Owner may also authorize the Company to follow Participant requests with regard to the allocation of Purchase Payments among Investment Options, transfers among Investment Options, and other elective rights provided by the Contract. If the Owner authorizes the Company to act as payment agent under the Plan or to follow Participant requests, the Owner may revoke or modify that authorization at any time without prior notice to Participants.
- b. Governmental Plan. Notwithstanding paragraph a. of this section 9, if this Contract is issued for or held under an eligible deferred compensation plan of a governmental employer, which meets or is required to meet the requirements of Code section 457(g)(1) by placing the assets of the plan in a qualified trust, custodial account, or annuity contract, this Contract shall be held for the exclusive benefit of Participants and their Beneficiaries. The provisions and limitations in this endorsement shall apply to the Contract and the interests of any Participant or Beneficiary therein, to the fullest extent necessary to comply with the requirements of the Code and the Plan. Such plan shall not be treated as an "unfunded deferred compensation plan."

## **10. Roth Accounts**

- a. Purchase Payments. Purchase payments made under a voluntary salary deduction agreement designating the purchase payments as Roth 403(b) or 401(k) contributions under Section 402(A) of the Code shall be treated as elective deferrals made under a salary reduction agreement for purposes of the Contract and any endorsements thereunder.
- b. Forfeitures. Except as otherwise permitted under Internal Revenue Service regulations, if this Contract is issued for or held as a Roth Account meeting the requirements of Section 402(A) of the Code, it may not accept allocation of forfeitures under the Plan.

c. **Rollovers.** If this Contract is issued for or held as a Roth Account meeting the requirements of Code Section 403(A), it may be transferred in a direct rollover only to another designated Roth account that accepts such rollovers or to a Roth Individual Retirement Account or Annuity, subject to any limitations imposed by the Code or Regulations on such rollovers.

## 11. **Vesting**

Except as may be provided in the Plan and in conformity with Applicable Law, the Participant's rights under this Contract are fully vested and nonforfeitable.

## 12. **Sunset Provisions**

In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of the Contract Date of Issue.

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**



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Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

(the "Company")  
2929 Allen Parkway  
Houston, Texas 77019

**ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT  
("EGTRRA")  
RETIREMENT PLAN ANNUITY CONTRACT ENDORSEMENT**

This Endorsement is made a part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with certain employer-sponsored retirement plans or arrangements, which may be described under any of the following Code Sections: 401(a) (including 401(k)); 403(a); 403(b); 457(b) (the "Plan"). The Plan may limit the exercise by the Participant or a Beneficiary of rights under the Contract, including any endorsements thereto, and may limit the rights described in this Endorsement.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

This Endorsement shall supersede any inconsistent provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement.

**1. Contribution Limitations**

- a. Contributions (not including transfers and rollovers) may be made to this Contract up to the applicable limits set forth in the Code and the Plan. If the Contract is issued under a Plan to which Code Section 402(g) applies, including Contracts issued under a 403(b) plan or arrangement, except as otherwise provided herein elective deferrals by the Participant to this Contract may not exceed the limit under Section 402(g).
- b. Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Contract have exceeded the limits imposed under the Contract.
- c. The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.
- d. Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

**2. Distribution Eligibility and Portability**

- a. A Plan Participant may receive a distribution from this Contract following severance of employment with the employer sponsoring the Plan.

- b. A distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an Eligible Rollover Distribution, may be transferred in a qualifying rollover to any Eligible Retirement Plan. For purposes of this paragraph, "Eligible Rollover Distribution" and "Eligible Retirement Plan" shall have the meaning given to them in the Code, as applicable to the type of plan under which the Contract is issued and/or maintained at the time of the distribution. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal beneficiary.
  - c. A Participant or Beneficiary may request a non-reportable plan-to-plan transfer of a portion of the Contract value to another plan or contract, subject to any applicable limitations in the Plan, the Contract, and Applicable Law.
  - d. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
  - e. This Contract will accept Eligible Rollover Distributions from other plans, provided however that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.
3. Required Distributions. Except as otherwise required by Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract.
4. In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of January 1, 2002, or the Contract Date of Issue, whichever is later.

**THE VARIABLE ANNUITY LIFE INSURANCE  
COMPANY**

  
 Julie Cotton Hearne  
 Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
Houston, Texas

**ENDORSEMENT**

This Endorsement is made a part of the Contract or Certificate to which it is attached.

The amount of the Separate Account Charge depends on the Variable Investment Option from which it is deducted, and is imposed at an annual rate of up to 1.25% of the assets of the Variable Investment Option.

If there is any conflict between the provisions of this Endorsement and the Contract or Certificate, the Endorsement's provision will apply.

The effective date of this Endorsement is the Date of Issue.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY



Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY (VALIC)**  
Houston, Texas

**Portfolio Director Endorsement**

Not withstanding any language in the Contract to the contrary, the Contract is amended as follows:

Annuity Rate Tables. The value We use to determine annuity payments will be the applied portion of the Accumulation Value on the tenth day (or the preceding business day if the tenth day is not a business day) preceding the date of the first annuity payment, less any applicable premium taxes. The following tables are based on the Annuity 2000 mortality table and assume births before the year 1936. The tables show the amount required to purchase a first monthly payment of \$1.00. Quarterly, semiannual, and annual payments may also be selected. The amount of each payment will depend upon the Annuitant's adjusted age at the time the first payment is due. Adjusted age will be determined in accordance with the following:

<u>Calendar Year of Birth</u>	<u>Adjusted Age is Actual Age Minus</u>
Before 1936	0
1936 - 1955	1
1956 - 1975	2
1976 - 1995	3
After 1995	4

Actual age, as used above, means the Annuitant's age at the birthday nearest to the Annuity Date. Table A is the Table to use for Variable Annuities with a 3% AIR and to determine the minimum guarantees for Fixed Annuities. Tables B, C, and D are to be used for Variable Annuities with 3 1/2%, 4 1/2% and 5% AIRs respectively.

**TABLE A**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$257.21	\$257.49	\$258.42	\$260.10	\$262.72	\$264.65
51	253.23	253.54	254.54	256.38	259.24	261.14
52	249.16	249.50	250.60	252.59	255.72	257.58
53	245.02	245.39	246.58	248.76	252.17	253.96
54	240.80	241.20	242.49	244.87	248.60	250.29
55	236.49	236.92	238.34	240.92	245.02	246.55
56	232.10	232.57	234.11	236.94	241.42	242.77
57	227.62	228.14	229.81	232.91	237.82	238.93
58	223.06	223.62	225.45	228.84	234.24	235.03
59	218.41	219.02	221.02	224.74	230.67	231.09
60	213.68	214.34	216.54	220.62	227.13	227.09
61	208.86	209.59	212.00	216.49	223.65	223.04
62	203.96	204.76	207.41	212.35	220.22	218.94
63	198.99	199.87	202.78	208.22	216.87	214.78
64	193.94	194.91	198.12	204.11	213.61	210.55
65	188.83	189.90	193.43	200.04	210.45	206.27
66	183.66	184.83	188.73	196.02	207.43	201.90
67	178.43	179.72	184.03	192.06	204.54	197.46
68	173.14	174.57	179.33	188.19	201.81	193.09
69	167.81	169.39	174.66	184.41	199.25	188.62
70	162.43	164.18	170.02	180.76	196.87	184.06
71	157.02	158.96	165.43	177.23	194.68	179.66
72	151.58	153.74	160.90	173.86	192.70	175.11
73	146.12	148.53	156.47	170.67	190.91	170.46
74	140.67	143.36	152.14	167.66	189.33	166.11
75	135.23	138.22	147.93	164.86	187.94	161.50

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$285.89	\$287.65	\$289.46	\$291.31	\$293.21	\$295.15	\$297.13	\$299.14	\$301.17	\$303.22	\$305.28
51	282.39	284.19	286.05	287.95	289.90	291.90	293.93	295.99	298.07	300.18	302.31
52	278.79	280.64	282.55	284.50	286.51	288.55	290.63	292.75	294.90	297.06	299.25
53	275.10	277.00	278.95	280.96	283.02	285.12	287.26	289.43	291.63	293.86	296.10
54	271.31	273.26	275.26	277.33	279.44	281.59	283.79	286.02	288.28	290.57	292.87
55	267.43	269.42	271.48	273.60	275.76	277.97	280.23	282.52	284.84	287.19	289.56
56	263.44	265.49	267.60	269.77	271.99	274.26	276.58	278.93	281.31	283.72	286.15
57	259.36	261.46	263.62	265.85	268.13	270.46	272.83	275.24	277.69	280.16	282.66
58	255.17	257.33	259.55	261.83	264.16	266.55	268.99	271.46	273.97	276.51	279.08
59	250.88	253.09	255.37	257.70	260.10	262.55	265.05	267.59	270.16	272.77	275.40
60	246.49	248.75	251.08	253.48	255.94	258.45	261.01	263.61	266.26	268.93	271.63
61	241.99	244.31	246.70	249.15	251.67	254.24	256.87	259.54	262.25	264.99	267.76
62	237.39	239.76	242.20	244.72	247.30	249.94	252.63	255.37	258.15	260.96	263.80
63	232.69	235.11	237.61	240.18	242.83	245.53	248.29	251.10	253.95	256.83	259.74
64	227.88	230.35	232.91	235.54	238.25	241.02	243.85	246.72	249.64	252.60	255.58
65	222.97	225.50	228.11	230.80	233.57	236.40	239.30	242.25	245.24	248.27	251.32
66	217.97	220.54	223.21	225.96	228.79	231.69	234.65	237.67	240.73	243.83	246.97
67	212.86	215.49	218.21	221.02	223.90	226.87	229.90	232.99	236.12	239.30	242.51
68	207.67	210.34	213.11	215.97	218.92	221.95	225.05	228.21	231.42	234.67	237.96
69	202.38	205.10	207.92	210.84	213.85	216.93	220.10	223.32	226.61	229.93	233.30
70	197.01	199.77	202.64	205.61	208.67	211.82	215.05	218.34	221.70	225.10	228.54
71	191.55	194.36	197.27	200.29	203.41	206.62	209.91	213.27	216.69	220.17	223.69
72	186.02	188.86	191.82	194.89	198.06	201.33	204.68	208.10	211.59	215.14	218.73
73	180.42	183.30	186.30	189.41	192.64	195.95	199.36	202.85	206.40	210.02	213.69
74	174.77	177.67	180.71	183.86	187.13	190.50	193.97	197.51	201.13	204.81	208.55
75	169.07	172.00	175.06	178.25	181.56	184.98	188.49	192.10	195.78	199.53	203.33

**TABLE B**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3.5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$239.16	\$239.44	\$240.33	\$241.91	\$244.31	\$245.38
51	235.77	236.07	237.04	238.76	241.39	242.39
52	232.29	232.62	233.68	235.55	238.42	239.33
53	228.73	229.09	230.24	232.28	235.42	236.21
54	225.09	225.48	226.73	228.96	232.39	233.03
55	221.36	221.79	223.15	225.58	229.34	229.78
56	217.55	218.01	219.49	222.15	226.27	226.47
57	213.65	214.15	215.76	218.67	223.19	223.10
58	209.66	210.20	211.96	215.15	220.10	219.66
59	205.57	206.17	208.09	211.59	217.03	216.16
60	201.40	202.05	204.16	208.00	213.98	212.59
61	197.13	197.85	200.16	204.38	210.96	208.95
62	192.78	193.57	196.11	200.76	207.98	205.24
63	188.35	189.21	192.01	197.12	205.06	201.46
64	183.83	184.78	187.86	193.50	202.22	197.60
65	179.24	180.29	183.68	189.90	199.46	193.66
66	174.58	175.73	179.48	186.33	196.81	189.83
67	169.85	171.12	175.26	182.82	194.27	185.82
68	165.05	166.46	171.03	179.36	191.87	181.73
69	160.19	161.75	166.81	175.99	189.61	177.79
70	155.28	157.00	162.61	172.72	187.51	173.66
71	150.32	152.23	158.45	169.55	185.58	169.44
72	145.31	147.44	154.33	166.52	183.82	165.46
73	140.28	142.65	150.29	163.64	182.23	161.24
74	135.23	137.87	146.33	160.93	180.83	157.15
75	130.18	133.12	142.47	158.39	179.59	152.96

Option 4 -- Joint and Survivor Life Annuity

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$263.95	\$265.39	\$266.87	\$268.38	\$269.93	\$271.50	\$273.09	\$274.71	\$276.33	\$277.97	\$279.62
51	261.05	262.54	264.07	265.63	267.22	268.84	270.49	272.15	273.83	275.53	277.23
52	258.07	259.61	261.18	262.79	264.43	266.11	267.80	269.52	271.26	273.00	274.76
53	255.00	256.58	258.20	259.86	261.56	263.28	265.03	266.81	268.60	270.40	272.21
54	251.83	253.46	255.13	256.85	258.59	260.37	262.18	264.00	265.85	267.71	269.58
55	248.57	250.25	251.97	253.74	255.54	257.37	259.23	261.12	263.02	264.94	266.87
56	245.21	246.94	248.71	250.53	252.39	254.28	256.20	258.14	260.10	262.08	264.07
57	241.75	243.53	245.36	247.23	249.14	251.09	253.07	255.07	257.10	259.14	261.19
58	238.19	240.02	241.90	243.83	245.80	247.81	249.85	251.91	254.00	256.10	258.22
59	234.52	236.41	238.34	240.33	242.36	244.43	246.53	248.65	250.80	252.97	255.15
60	230.75	232.69	234.68	236.73	238.82	240.95	243.11	245.30	247.52	249.75	252.00
61	226.87	228.86	230.92	233.02	235.17	237.36	239.59	241.85	244.13	246.43	248.75
62	222.88	224.93	227.04	229.21	231.42	233.68	235.97	238.30	240.65	243.02	245.41
63	218.78	220.89	223.06	225.29	227.57	229.89	232.25	234.64	237.07	239.51	241.96
64	214.58	216.75	218.97	221.26	223.60	225.99	228.42	230.89	233.38	235.89	238.42
65	210.28	212.49	214.78	217.13	219.53	221.99	224.49	227.03	229.59	232.18	234.78
66	205.87	208.14	210.48	212.89	215.36	217.88	220.45	223.06	225.70	228.36	231.04
67	201.35	203.67	206.07	208.54	211.08	213.67	216.31	218.99	221.70	224.44	227.20
68	196.73	199.11	201.56	204.09	206.69	209.35	212.06	214.81	217.60	220.42	223.25
69	192.02	194.44	196.95	199.54	202.20	204.92	207.70	210.52	213.39	216.28	219.20
70	187.20	189.68	192.24	194.89	197.61	200.39	203.24	206.14	209.08	212.05	215.05
71	182.29	184.82	187.44	190.14	192.92	195.77	198.68	201.65	204.66	207.71	210.79
72	177.30	179.87	182.53	185.29	188.13	191.04	194.02	197.06	200.14	203.27	206.42
73	172.23	174.84	177.55	180.36	183.25	186.22	189.27	192.37	195.53	198.73	201.96
74	167.08	169.73	172.48	175.34	178.28	181.32	184.42	187.59	190.82	194.09	197.40
75	161.88	164.55	167.34	170.24	173.24	176.33	179.49	182.72	186.02	189.36	192.74

**TABLE C**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 4.5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$208.77	\$209.03	\$209.86	\$211.25	\$213.28	\$213.12
51	206.28	206.57	207.46	208.98	211.20	210.91
52	203.71	204.02	205.00	206.66	209.08	208.64
53	201.06	201.40	202.46	204.27	206.92	206.30
54	198.32	198.70	199.86	201.83	204.72	203.88
55	195.51	195.92	197.17	199.33	202.49	201.40
56	192.60	193.05	194.42	196.77	200.24	198.84
57	189.61	190.10	191.59	194.16	197.97	196.21
58	186.53	187.06	188.69	191.51	195.68	193.50
59	183.35	183.93	185.71	188.80	193.39	190.78
60	180.08	180.71	182.66	186.06	191.10	187.95
61	176.71	177.40	179.55	183.28	188.83	185.04
62	173.25	174.01	176.37	180.47	186.57	182.05
63	169.70	170.53	173.13	177.65	184.35	179.07
64	166.06	166.97	169.83	174.82	182.18	175.97
65	162.33	163.34	166.49	171.99	180.06	172.80
66	158.52	159.63	163.11	169.17	178.01	169.54
67	154.63	155.85	159.69	166.38	176.05	166.36
68	150.65	152.01	156.26	163.63	174.18	163.01
69	146.60	148.10	152.80	160.93	172.42	159.60
70	142.48	144.14	149.35	158.29	170.78	156.25
71	138.28	140.13	145.90	155.73	169.26	152.77
72	134.03	136.09	142.48	153.27	167.88	149.22
73	129.73	132.02	139.10	150.93	166.63	145.60
74	125.38	127.94	135.78	148.71	165.51	142.18
75	121.01	123.86	132.53	146.63	164.54	138.56

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$227.47	\$228.45	\$229.45	\$230.46	\$231.49	\$232.53	\$233.58	\$234.63	\$235.68	\$236.74	\$237.79
51	225.49	226.51	227.55	228.60	229.67	230.76	231.85	232.94	234.04	235.14	236.23
52	223.42	224.49	225.57	226.67	227.78	228.91	230.04	231.18	232.33	233.47	234.61
53	221.28	222.38	223.51	224.65	225.81	226.98	228.17	229.35	230.54	231.74	232.93
54	219.05	220.20	221.37	222.56	223.76	224.98	226.21	227.45	228.69	229.93	231.17
55	216.73	217.93	219.14	220.38	221.63	222.90	224.18	225.47	226.76	228.05	229.34
56	214.33	215.57	216.83	218.12	219.42	220.74	222.07	223.41	224.75	226.09	227.44
57	211.82	213.11	214.43	215.76	217.12	218.49	219.87	221.26	222.66	224.06	225.46
58	209.22	210.56	211.93	213.32	214.73	216.15	217.59	219.04	220.49	221.94	223.40
59	206.53	207.92	209.33	210.78	212.24	213.72	215.22	216.72	218.23	219.74	221.26
60	203.73	205.17	206.64	208.14	209.66	211.20	212.75	214.32	215.89	217.46	219.03
61	200.82	202.32	203.85	205.40	206.98	208.58	210.20	211.82	213.45	215.09	216.72
62	197.81	199.36	200.95	202.56	204.20	205.86	207.54	209.23	210.92	212.62	214.32
63	194.70	196.30	197.94	199.62	201.32	203.04	204.78	206.54	208.30	210.06	211.83
64	191.47	193.13	194.83	196.57	198.33	200.12	201.93	203.75	205.58	207.41	209.24
65	188.14	189.85	191.61	193.41	195.24	197.09	198.97	200.86	202.76	204.66	206.56
66	184.69	186.47	188.28	190.14	192.04	193.96	195.90	197.86	199.83	201.81	203.79
67	181.14	182.97	184.85	186.77	188.73	190.71	192.73	194.76	196.81	198.86	200.91
68	177.47	179.36	181.30	183.28	185.31	187.36	189.45	191.55	193.67	195.80	197.93
69	173.70	175.64	177.64	179.69	181.78	183.90	186.06	188.24	190.43	192.63	194.84
70	169.82	171.82	173.87	175.98	178.14	180.33	182.56	184.81	187.08	189.36	191.65
71	165.83	167.88	170.00	172.17	174.39	176.65	178.95	181.27	183.62	185.98	188.35
72	161.74	163.85	166.02	168.25	170.54	172.87	175.23	177.63	180.06	182.50	184.94
73	157.56	159.71	161.94	164.23	166.58	168.97	171.41	173.89	176.38	178.90	181.43
74	153.28	155.48	157.76	160.11	162.52	164.98	167.49	170.03	172.61	175.20	177.81
75	148.92	151.16	153.49	155.89	158.36	160.89	163.46	166.08	168.73	171.40	174.09

**TABLE D**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$195.93	\$196.19	\$196.98	\$198.29	\$200.16	\$199.57
51	193.78	194.06	194.93	196.36	198.39	197.66
52	191.56	191.87	192.18	194.37	196.59	195.69
53	189.26	189.60	190.62	192.32	194.75	193.65
54	186.88	187.25	188.36	190.22	192.88	191.57
55	184.42	184.82	186.03	188.06	190.97	189.40
56	181.88	182.32	183.63	185.85	189.04	187.16
57	179.25	179.72	181.16	183.58	187.08	184.85
58	176.53	177.04	178.61	181.27	185.11	182.46
59	173.71	174.28	175.99	178.90	183.12	180.05
60	170.80	171.42	173.30	176.50	181.14	177.53
61	167.80	168.48	170.54	174.06	179.16	174.94
62	164.70	165.44	167.72	171.58	177.19	172.27
63	161.51	162.33	164.83	169.09	175.25	169.52
64	158.23	159.13	161.88	166.58	173.34	166.79
65	154.86	155.85	158.89	164.07	171.48	163.94
66	151.41	152.50	155.85	161.56	169.68	161.00
67	147.86	149.07	152.77	159.06	167.95	157.99
68	144.24	145.57	149.66	156.60	166.31	155.03
69	140.53	142.00	146.53	154.18	164.75	151.93
70	136.74	138.38	143.39	151.81	163.29	148.76
71	132.88	134.69	140.25	149.51	161.95	145.51
72	128.95	130.97	137.13	147.29	160.72	142.39
73	124.96	127.21	134.03	145.17	159.60	139.09
74	120.92	123.43	130.99	143.16	158.61	135.73
75	116.84	119.64	128.00	141.27	157.74	132.49

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$212.26	\$213.07	\$213.89	\$214.73	\$215.57	\$216.42	\$217.27	\$218.12	\$218.97	\$219.82	\$220.67
51	210.61	211.46	212.32	213.19	214.07	214.96	215.85	216.74	217.63	218.52	219.41
52	208.89	209.78	210.68	211.59	212.51	213.44	214.37	215.30	216.23	217.16	218.09
53	207.09	208.02	208.96	209.91	210.87	211.84	212.82	213.79	214.77	215.74	216.71
54	205.21	206.18	207.16	208.16	209.16	210.18	211.19	212.22	213.24	214.25	215.27
55	203.25	204.26	205.29	206.33	207.38	208.44	209.50	210.57	211.63	212.70	213.76
56	201.21	202.26	203.33	204.42	205.52	206.62	207.73	208.85	209.96	211.07	212.18
57	199.07	200.17	201.29	202.43	203.57	204.72	205.89	207.05	208.21	209.38	210.53
58	196.85	198.00	199.16	200.34	201.54	202.75	203.96	205.17	206.39	207.60	208.81
59	194.53	195.72	196.94	198.17	199.42	200.68	201.94	203.21	204.48	205.75	207.02
60	192.11	193.36	194.62	195.91	197.21	198.52	199.85	201.17	202.50	203.82	205.14
61	189.59	190.89	192.21	193.55	194.91	196.28	197.66	199.04	200.42	201.81	203.18
62	186.97	188.32	189.69	191.09	192.51	193.94	195.37	196.82	198.26	199.71	201.14
63	184.24	185.64	187.08	188.53	190.01	191.50	193.00	194.50	196.01	197.52	199.02
64	181.40	182.86	184.35	185.87	187.41	188.96	190.52	192.09	193.66	195.23	196.80
65	178.46	179.98	181.53	183.10	184.70	186.32	187.95	189.58	191.22	192.86	194.49
66	175.41	176.98	178.59	180.23	181.89	183.57	185.27	186.97	188.68	190.39	192.09
67	172.25	173.88	175.54	177.24	178.97	180.72	182.48	184.26	186.04	187.82	189.59
68	168.98	170.66	172.39	174.15	175.94	177.76	179.59	181.44	183.29	185.14	186.99
69	165.60	167.34	169.12	170.95	172.80	174.69	176.59	178.51	180.44	182.36	184.29
70	162.10	163.90	165.75	167.64	169.56	171.51	173.48	175.47	177.47	179.48	181.48
71	158.50	160.36	162.26	164.21	166.20	168.22	170.27	172.33	174.41	176.49	178.57
72	154.79	156.70	158.67	160.68	162.73	164.82	166.94	169.08	171.23	173.39	175.55
73	150.98	152.94	154.96	157.04	159.16	161.32	163.51	165.72	167.95	170.19	172.43
74	147.07	149.09	151.16	153.30	155.48	157.71	159.97	162.25	164.56	166.88	169.20
75	143.08	145.14	147.26	149.45	151.70	153.99	156.32	158.68	161.06	163.46	165.86

Beneficiaries.

- a. Unlocatable Beneficiaries. If We cannot obtain a mailing address for the designated beneficiary using methods allowed by and within the period required by applicable state or federal regulations, then We will deem the Participant to have no designated beneficiary and We will pay the proceeds accordingly. If no applicable law provides guidelines and We cannot obtain a mailing address for the designated beneficiary by reasonable means and within a reasonable period, then We will deem the Participant to have no designated beneficiary and We will pay the proceeds accordingly.
- b. Trust or Estate as Beneficiary. Payments to a Beneficiary that is a trust or an estate will be made in a lump sum or in installments over a period not to exceed five years, to the extent required by applicable law.

Investment Options. We reserve the right to limit the number of Investment Options available under the Contract. The Investment Options available under the Contract will be those selected by the Contract Owner on the application. The Contract Owner may request, from time to time, that We add or substitute Investment Options available from Separate Account A. Any such request will be subject to Our approval and to any other applicable limitations in the Contract.

Separate Account Charge. The amount of the Separate Account Charge depends on the Variable Investment Option from which it is deducted, and is imposed at an annual rate of up to 1.25% of the assets of the Variable Investment Option.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY



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Julie Cotton Hearne  
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY  
Houston, Texas

INVESTMENT VEHICLE ENDORSEMENT

This Endorsement is made a part of the Contract to which it is attached, and applies to contribution source(s) 1, V.

The following is a list of available investment options. "Fixed Account Plus" and "Short Term Fixed Account" are Fixed Subaccount Options and are invested in VALIC's General Account. All other options are invested in VALIC's Separate Account A.

Investment Subaccount Name

**Fixed Account Plus** provides fixed-return investment growth for the long-term. It is credited with interest at rates set by VALIC. The account is guaranteed to earn at least a minimum rate of interest as shown in your contract and/or endorsements. There are limitations on transfers out of this option.

**Short Term Fixed Account** provides fixed-return investment growth for the short-term. It is credited with interest at rates set by VALIC which may be lower than the rates credited to Fixed Account Plus, above. The account is guaranteed to earn at least a minimum rate of interest as shown in your contract and/or endorsements.

**Multi-Year Enhanced Fixed Option (MYE).** This account is a long-term investment option, providing a guaranteed interest rate for a guaranteed period (three, five, seven, and ten years) (MVA Term). Funds invested in this option are subject to a Market Value Adjustment if withdrawn before the end of the MVA Term. This investment option requires a minimum amount of at least \$25,000. All MVA Terms may not be available at all times.

**VALIC Company (VC) I – Asset Allocation Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks maximum aggregate rate of return over the long term through controlled investment risk by adjusting its investment mix among stocks, long-term debt securities and short-term money market securities.

**VC I – Blue Chip Growth Fund.** (Sub-advised by T. Rowe Price Associates, Inc.) Seeks long-term capital growth by investing in the common stocks of large and medium-sized blue chip growth companies. Income is a secondary objective.

**VC I – Broad Cap Value Income Fund.** (Sub-advised by Barrow, Hanley, Mewhinney & Strauss, LCC) Seeks total return through capital appreciation with income as a secondary objective. The Fund invests primarily in equity securities of U.S. large- and mid-cap companies that are considered to be undervalued.

**VC I – Capital Conservation Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks the highest possible total return consistent with preservation of capital through current income and capital gains on investments in intermediate- and long-term debt instruments and other income-producing securities.

**VC I – Core Equity Fund.** (Sub-advised by BlackRock Financial Management LLC) Seeks to provide long-term growth of capital through investment primarily in equity securities of large-cap companies with long-term growth potential.

**VC I – Dividend Value Fund.** (Sub-advised by BlackRock Financial Management LLC and SunAmerica Asset Management, LLC) Seeks capital growth by investing in common stocks. Income is a secondary objective. Under normal circumstances, the Fund will invest at least 80% of its net assets in dividend paying equity securities.

All funds may not be available in all contract types or all employer plans.

**VC I – Dynamic Allocation Fund.** (Sub-advised by AllianceBernstein L.P. and SunAmerica Asset Management, LLC) Seeks capital appreciation and current income while managing net equity exposure. Under normal conditions, the Fund invests approximately 70% to 90% of its assets in shares of the underlying funds, which are funds of VC I and VC II (the “fund-of-fund component”), and 10% to 30% of its assets in a portfolio of derivative instruments, exchange traded funds, fixed income securities and short-term investments (the “overlay component”).

**VC I – Foreign Value Fund.** (Sub-advised by Templeton Global Advisors Limited) Seeks long-term growth of capital by investing primarily in equity securities of companies located outside the U.S., including emerging markets.

**VC I – Emerging Economies Fund.** (Sub-advised JP Morgan Investment Management, Inc.) Seeks capital appreciation. Under normal circumstances, the fund invests at least 80% of value of its net assets in equity securities of emerging markets companies and other investments that are tied economically to emerging markets.

**VC I - Global Real Estate Fund.** (Sub-advised by Invesco Advisers, Inc. and Goldman Sachs Asset Management, L.P.) Seeks high total return through long-term growth of capital and current income. The fund invests, under normal circumstances, at least 80% of its net assets in a diversified portfolio of equity investments in real estate and real estate-related companies. The fund may invest up to 75% of its total assets in foreign securities, including securities of issuers in emerging markets.

**VC I – Global Social Awareness Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to obtain growth of capital through investment, primarily in equity securities of companies which meet the social criteria established for the fund.

**VC I – Global Strategy Fund.** (Sub-advised by Franklin Advisers, Inc. and Templeton Investment Counsel, LLC) Seeks high total return by investing in equity securities of companies in any country, fixed income (debt) securities of companies and governments of any country, and in money market securities. The Fund's debt investments generally focus on “investment grade” securities. The Fund may also invest in debt securities that are rated below investment grade or, if unrated, determined by the sub-adviser to be comparable, including high yield debt securities and debt securities that are in default at the time of purchase.

**VC I – Government Securities Fund.** (Sub-advised by JP Morgan Investment Management, Inc.) Seeks high current income and protection of capital through investments in intermediate- and long-term United States Government and government-sponsored debt securities.

**VC I – Growth Fund.** (Sub-advised by American Century Investment Management, Inc.) Seeks long term capital growth. The Fund invests primarily in common stocks of growing companies. This strategy looks for companies with earnings and revenues that are not only growing, but growing at a successively faster, or accelerating, pace.

**VC I – Growth & Income Fund.** (Sub-advised by JP Morgan Investment Management, Inc.) Seeks to provide long-term growth of capital and secondarily, current income, through investment in common stocks and equity-related securities. The fund uses a bottom-up, disciplined investment process.

**VC I – Health Sciences Fund.** (Sub-advised by T. Rowe Price Associates, Inc.) Seeks long-term capital growth through investments primarily in companies engaged in the research, development, production or distribution of products or services related to health care, medicine, or life sciences.

**VC I – Inflation Protected Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks maximum real return, consistent with appreciation of capital and prudent investment management. The fund normally invests at least 80% of assets in inflation-indexed fixed income securities issued by domestic and foreign governments (including those in emerging market countries), their agencies or instrumentalities, and corporations.

All funds may not be available in all contract types or all employer plans.

**VC I – International Equities Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks long-term capital growth through investments in equity securities that, as a group, are expected to provide investment results closely corresponding to the performance of the Morgan Stanley Capital International, Europe, Australasia and the Far East Index.

**VC I – International Government Bond Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks high current income through investments primarily in investment grade debt securities issued or guaranteed by foreign governments. This fund is classified as “non-diversified” because it expects to concentrate in certain foreign government securities. Also, the fund attempts to have all of its investments payable in foreign securities. The fund may convert its cash to foreign currency.

**VC I – International Growth Fund.** (Sub-advised by American Century Investment Management, Inc., Invesco Advisers, Inc. and Massachusetts Financial Services Company) Seeks capital growth through investments primarily in equity securities of issuers in developed foreign countries. The Sub-Advisers use a proprietary investment strategy to invest in stocks of companies it believes will increase in value over time.

**VC I – Large Cap Core Fund.** (Sub-advised by Columbia Management Investment Advisors, LLC) Seeks capital growth with the potential for current income. The Fund invests, under normal conditions, at least 80% of its assets in the common stock of large-cap U.S. companies. The Fund’s stock selection is based on a diversified style of equity management that allows it to invest in both value and growth oriented equity securities.

**VC I – Large Capital Growth Fund.** (Sub-advised by Massachusetts Financial Services Company) Seeks to provide long-term growth of capital by normally investing in common stocks of large-cap growth companies. The fund focuses on investing in the stocks of companies it believes to have above average earnings growth potential compared to other companies.

**VC I – Mid Cap Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to provide growth of capital through investments primarily in a diversified portfolio of common stocks that, as a group, are expected to provide investment results closely corresponding to the performance of the Standard & Poor’s MidCap 400® Index.

**VC I – Mid Cap Strategic Growth Fund.** (Sub-advised by Morgan Stanley Investment Management, Inc. and Allianz Global Investors U.S., LLC) Seeks long term capital growth by investing primarily in growth-oriented equity securities of U.S. mid cap companies and, to a limited extent, foreign companies.

**VC I – Money Market I Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks liquidity, protection of capital and current income through investments in short-term money market instruments.

**VC I – Nasdaq-100® Index Fund** (Sub-advised by SunAmerica Asset Management, LLC) Seeks long-term capital growth through investments in the stocks that are included in the Nasdaq-100® Index. The fund is a non-diversified fund, meaning that it can invest more than 5% of its assets in the stocks of one company. The fund may concentrate its investments in the technology sector, in the proportion consistent with the industry weightings in the Index.

**VC I – Science & Technology Fund.** (Sub-advised by T. Rowe Price Associates, Inc. and Allianz Global Investors U.S., LLC and Wellington Management Company LLP) Seeks long-term capital appreciation through investments primarily in the common stocks of companies that are expected to benefit from the development, advancement and use of science and technology.

**VC I – Small Cap Aggressive Growth Fund.** (Sub-advised by RS Investment Management Co. LLC) Seeks capital growth by investing primarily in common stocks of small-cap U.S. companies. The fund considers a company to be a small-cap company if its market capitalization, at the time of purchase, is

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equal to or less than the market capitalization of the largest company in the Russell 2000® Index during the most recent 12-month period.

**VC I – Small Cap Fund.** (Sub-advised by Invesco Capital Management, T. Rowe Price Associates, Inc. and Bridgeway Capital Management, Inc.) Seeks to provide long-term capital growth by investing primarily in the stocks of small companies.

**VC I – Small Cap Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to provide growth of capital through investment primarily in a diversified portfolio of common stocks that, as a group, the Sub-Adviser believes may provide investment results closely corresponding to the performance of the Russell 2000® Index.

**VC I – Small Cap Special Values Fund.** (Sub-advised by Wells Capital Management and Dreman Value Management) Seeks to produce growth of capital by investing primarily in common stocks of small U.S. companies.

**VC I – Small-Mid Growth Fund.** (Sub-advised by Goldman Sachs Asset Management, L.P.) Seeks capital growth by investing primarily in common stocks. Under normal circumstances, the Fund invests at least 80% of its net assets in common stocks of small- and mid-cap U.S. companies. (i.e., companies whose market capitalizations fall within the range tracked by the Russell 2500® Index, at the time of purchase).

**VC I – Stock Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks long-term capital growth through investment in common stocks that, as a group, are expected to provide investment results closely corresponding to the performance of the Standard & Poor's 500® Stock Index.

**VC I – Value Fund.** (Sub-advised by Wellington Management Company) Seeks long-term total return, which consists of capital appreciation and income. The fund attempts to achieve its objective by investing in common stocks of companies that it has identified as financially sound but out-of-favor that provide above-average potential total returns and sell at below-average price/earnings multiples.

**VC II – Aggressive Growth Lifestyle Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks growth through investments in a combination of funds offered in VALIC Company I (VC I) and VALIC Company II (VC II). This fund of funds is suitable for investors seeking the potential for capital growth that a fund investing predominately in equity securities may offer. The fund of funds is suitable for investors who invest in equity securities at a higher level of market risk than the Moderate Growth Lifestyle Fund and the Conservative Growth Lifestyle Fund.

**VC II – Capital Appreciation Fund.** (Sub-advised by Boston Company Asset Management) Seeks long-term capital appreciation by investing primarily in a broadly diversified portfolio of stocks and other equity securities of United States companies.

**VC II – Conservative Growth Lifestyle Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks current income and low to moderate growth of capital through investments in a combination of the different funds offered in VC I and VC II. This fund of funds is suitable for investors who invest in equity securities, but who are not willing to assume the market risks of either the Aggressive Growth Lifestyle Fund or the Moderate Growth Lifestyle Fund.

**VC II – Core Bond Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks the highest possible total return consistent with conservation of capital through investment in medium- to high- quality fixed income securities. These securities include corporate debt securities of U.S. and foreign companies, securities issued or guaranteed by the United States government, mortgage-backed, or asset-backed securities.

**VC II – High Yield Bond Fund.** (Sub-advised by Wellington Management Company) Seeks the highest possible total return and income consistent with conservation of capital through investment in a diversified

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portfolio of high yielding, high risk fixed income securities. These securities include below-investment-grade fixed income securities.

**VC II – International Opportunities Fund.** (Sub-advised by UBS Global Asset Management and Massachusetts Financial Services Company) Seeks to provide long-term capital appreciation through equity and equity-related investments of small to mid cap companies throughout the world, excluding the United States.

**VC II – Large Cap Value Fund.** (Sub-advised by Boston Company Asset Management, LLC and Perkins Investment Management, LLC) Seeks to provide total returns that exceed over time the Russell 1000® Value Index through investment in equity securities. The Russell 1000® Value Index is a sub-index of the Russell 3000® Index, which follows the 3,000 largest United States companies, based on total market capitalization.

**VC II – Mid Cap Growth Fund.** (Sub-advised by Wells Capital Management Inc.) Seeks long-term capital appreciation principally through investments in medium-capitalization equity securities, such as common and preferred stocks and securities convertible into common stocks.

**VC II – Mid Cap Value Fund.** (Sub-advised by Wellington Management Company, Robeco Investment Management, Inc. and Tocqueville Asset Management) Seeks capital growth through investments in equity securities of medium capitalization companies using a value-oriented investment approach. Mid-capitalization companies include companies with a market capitalization within the range of the Russell MidCap® Index range.

**VC II – Moderate Growth Lifestyle Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks growth and current income through investments in a combination of the different funds offered in VC I and VC II. This fund of funds is suitable for investors who invest in equity securities but who are not willing to assume the market risks of the Aggressive Growth Lifestyle Fund.

**VC II – Money Market II Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks liquidity, protection of capital and current income through investments in short-term money market instruments.

**VC II – Small Cap Growth Fund.** (Sub-advised by JP Morgan Investment Management Inc.) Seeks to provide long-term capital growth through investments primarily in the equity securities of small companies with market caps not exceeding the highest market cap value in the Russell 2000® Growth Index, at the time of purchase.

**VC II – Small Cap Value Fund.** (Sub-advised by JP Morgan Investment Management, Inc. and Metropolitan West Capital Management, LLC) Seeks to provide maximum long-term return, consistent with reasonable risk to principal, by investing primarily in securities of small-capitalization companies in terms of revenues and/or market capitalization. Small-cap companies are companies whose total market capitalizations, at the time of purchase, are equal to or less than the largest company in the Russell 2000® Index during the most recent 12-month period.

**VC II – Socially Responsible Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to obtain growth of capital through investment, primarily in equity securities, in companies which meet the social criteria established for the fund. Under normal circumstances, the fund invests at least 80% of its net assets in the equity securities of U.S. companies meeting the fund's social criteria. The fund does not invest in companies that are significantly engaged in the production of nuclear energy; the manufacture of military weapons or delivery systems, the manufacture of alcoholic beverages or tobacco products; the operation of gambling casinos; or business practices or the production of products that significantly pollute the environment.

**VC II – Strategic Bond Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks the highest possible total return and income consistent with conservation of capital through investment in a diversified portfolio of income producing securities. The fund invests in a broad range of fixed-income securities,

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including investment-grade bonds, United States government and agency obligations, mortgage-backed securities, and United States, Canadian, and foreign high risk, high yield bonds.

**American Beacon Holland Large Cap Growth Fund.** (Managed by American Beacon Advisors, Inc., and sub-advised by Holland Capital Management, LLC) The fund primarily seeks long-term growth of capital. The receipt of dividend income is a secondary consideration. The fund will invest in a diversified portfolio of equity securities of mid-to large-capitalization growth companies.

**Ariel Fund.** (Managed by Ariel Investments, LLC) Seeks long-term capital appreciation by investing primarily in the equity securities of small/mid-sized undervalued U.S. companies that show strong potential for growth, with a weighted average market capitalization generally between \$1 billion and \$7.5 billion.

**Ariel Appreciation Fund.** (Managed by Ariel Investments, LLC) Seeks long-term capital appreciation by investing primarily in the equity securities of mid-sized undervalued companies that show strong potential for growth, with a weighted average market capitalization between \$2 billion and \$15 billion.

**Invesco Balanced-Risk Commodity Strategy Fund.** (Sub-advised by Invesco Capital Management) Seeks to provide total return. The fund invests, under normal conditions, in derivatives and other commodity-linked instruments whose performance is expected to correspond to the performance of the underlying commodity, without investing directly in physical commodities. It seeks to achieve its investment objective by investing in derivatives and other commodity-linked instruments that provide exposure to the following four sectors of the commodities markets: agricultural/livestock, energy, industrial metals and precious metals. The fund is non-diversified.

**T. Rowe Price Retirement Fund 2015, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2015 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2020, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2020 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2025, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2025 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2030, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2030 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2035, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation

All funds may not be available in all contract types or all employer plans.

between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2035 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2040, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2040 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2045, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2045 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2050, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2050 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2055, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2055 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2060, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2060 and prefer a diversified approach to retirement investing.

**Vanguard LifeStrategy Conservative Growth Fund – Investor Shares.** (Managed by Vanguard) Seeks to provide current income and low to moderate growth of capital. This is a fund of funds, investing in other Vanguard mutual funds according to a fixed formula that typically results in an allocation of about 40% of assets to bonds, 20% to short-term fixed income investments, and 40% to common stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate- and long-term U.S. government, agency, and investment-grade corporate bonds, as well as mortgage-backed securities. The fund's indirect stock holdings consist substantially of large-cap U.S. stocks and, to a lesser extent, mid-and small-cap U.S. stocks and foreign stocks.

**Vanguard LifeStrategy Growth Fund – Investor Shares.** (Managed by Vanguard) Seeks to provide growth of capital and some current income. This is a fund of funds, investing in other Vanguard mutual funds according to a fixed formula that typically results in an allocation of about 80% of assets to common stocks and 20% to bonds. The funds indirect stock holdings consist substantially of large-cap United States stocks and, to a lesser extent, mid- and small-cap United States stocks and foreign stocks. Its indirect bond holdings are a diversified mix of short-, intermediate -and long-term United States government, agency, and investment-grade corporate bonds with a strong emphasis on long-term United States Treasury bonds, as well as mortgage-backed securities.

All funds may not be available in all contract types or all employer plans.

**Vanguard LifeStrategy Moderate Growth Fund – Investor Shares.** (Managed by Vanguard) Seeks to provide growth of capital and a low to moderate level of current income. This fund is a fund of funds, investing in other Vanguard mutual funds according to a fixed formula that typically results in an allocation of about 60% of assets to common stocks and 40% to bonds. The funds indirect stock holdings consist substantially of large-cap United States stocks and, to a lesser extent, mid- and small-cap United States stocks and foreign stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate - and long-term United States government, agency, and investment-grade corporate bonds as well as mortgage-backed securities.

**Vanguard Long-Term Investment-Grade Fund – Investor Shares.** (Managed by Wellington Management Company and The Vanguard Group) Seeks to provide a high and sustainable level of current income. The Fund invests in a variety of high-quality and, to a lesser extent, medium-quality fixed income securities, at least 80% of which will be intermediate- and long-term investment grade fixed income securities.

**Vanguard Long-Term Treasury Fund – Investor Shares.** (Managed by The Vanguard Group) Seeks to provide a high and sustainable level of current income by investing at least 80% of assets in U.S. Treasury securities. The fund is expected to maintain a dollar-weighted average maturity between 15 and 30 years.

**Vanguard Wellington Fund – Investor Shares.** (Managed by Wellington Management Company LLP) Seeks to provide long-term growth of capital and reasonable current income by investing in dividend-paying, and, to a lesser extent, non-dividend paying common stocks of established, large-and medium-sized companies. In choosing these companies, the Adviser seeks those that appear to be undervalued but which have prospects to improve. The fund also invests in investment grade corporate bonds, with some exposure to United States Treasury, government agency, and mortgage-backed bonds.

**Vanguard Windsor II Fund – Investor Shares.** (Managed by Barrow, Hanley, Mewhinney & Strauss and Equinox Capital Management, LLC; Hotchkis and Wiley Capital Management, LLC; Tukman Capital Management, Inc.; The Vanguard Group) Seeks to provide long-term capital appreciation and income. The fund invests mainly in medium- and large-sized companies whose stocks are considered by the fund's advisers to be undervalued.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY



Julie Cotton Hearne  
Secretary

## **CUSTOMER SERVICE INFORMATION**

If you have any questions regarding this policy, wish to register a complaint or wish to contact us if you did not receive sales material related to this contract, please call us at 1-800-448-2542 or write:

The Variable Annuity Life Insurance Company  
Customer Service Department  
P. O. Box 15648  
Amarillo, Texas 79105

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

**Important Time Sensitive Information – Read Immediately**

**Deadline: Right to Cancel and Receive Full Refund**

You may return Your contract for up to twenty-one (21) days after You receive it for a full refund. A full refund is defined as unconditional refund of all premiums paid, including any contract fees or charges. The free look explained here will supersede any free look provision provided in Your contract.

- **PLEASE BE AWARE THAT THE PURCHASE OF AN ANNUITY CONTRACT IS A LONG-TERM COMMITMENT AND MAY RESTRICT ACCESS TO YOUR MONEY**
- **THE INTEREST RATE APPLIED TO YOUR CONTRACT MAY BE SUBJECT TO CHANGE PERIODICALLY AND MAY INCREASE OR DECREASE SUBJECT TO CERTAIN INTEREST RATE GUARANTEES DESCRIBED IN YOUR CONTRACT.**
- **A PROSPECTUS AND CONTRACT SUMMARY IS REQUIRED TO BE GIVEN TO YOU.**

**Issuing Company:**

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
2929 Allen Parkway  
Houston, TX 77019  
888-569-6128

The above address and telephone number is provided for contract owners to present inquiries or obtain information about coverage and to provide assistance in resolving complaints.

**Selling Agent Information:**

**FLORIDA DEPARTMENT OF FINANCIAL SERVICES CONSUMER SERVICES**  
**Toll free helpline: 1-877-693-5236**  
**Out of state: 1-850-413-3089**



The Variable Annuity Life Insurance Company

**CONTRACT OWNER: COLLIER COUNTY SHERIFF'S OFFICE**

**CONTRACT NUMBER:** [REDACTED]

**DATE OF ISSUE: 11/13/2007**

In return for Purchase Payment(s), VALIC will pay annuity and other benefits as provided in this Contract.

**PLEASE READ YOUR CONTRACT CAREFULLY**  
**See Index on Page 2**

- **Maintenance Charge** -- There is no account maintenance charge.
- **Separate Account Charge** -- There is a daily charge against the Separate Account at an annual rate ranging from 1% to 1.25% of the average daily net asset value of the Separate Account, based upon the Variable Investment Option to which assets are allocated. This charge only applies to assets under Variable Investment Options. See Section 2.06 for a complete description.
- **Cash Surrender or Withdrawal Charge** -- There is no charge at the time of surrender or withdrawal.

The conditions and provisions on this and the following pages are the entire legal Contract between VALIC and the Contract Owner. No agent has the authority to change this Contract or waive any of its provisions. Only the President or a Vice President of VALIC may change this Contract. Any such changes must be in writing. All conditions and provisions are subject to applicable state laws.

EXECUTED AT VALIC'S HOME OFFICE ON THE DATE OF ISSUE.



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Julie Cotton Hearne  
Secretary



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Kevin T. Hogan  
President

ANNUITY PAYMENTS AND SURRENDER VALUES PROVIDED BY THIS CONTRACT WHEN BASED ON INVESTMENT EXPERIENCE OF THE SEPARATE ACCOUNT ARE VARIABLE, ARE NOT GUARANTEED AS TO FIXED DOLLAR AMOUNT, AND MAY INCREASE OR DECREASE IN VALUE.

**GROUP FIXED AND VARIABLE DEFERRED ANNUITY CONTRACT**  
**INDIVIDUAL ALLOCATIONS**  
**- NON-PARTICIPATING -**

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4.08	Misstatement of Age	7	<b>6.11</b>	<b>Proof of Survival</b>	17
4.09	Annuity Income (Payment) Options	7	<b>6.12</b>	<b>Substitution of Investment Fund Shares</b>	17
4.10	Fixed or Variable Annuity Basis	7	<b>6.13</b>	<b>Minimum Benefit</b>	17
4.11	Variable Annuity Payments	7	<b>6.14</b>	<b>Separate Account</b>	18
4.12	Assumed Investment Rate (AIR)	7			

## Section 1 - DEFINITIONS

**Accumulation Period** - the time between the date of the first Purchase Payment and the Annuity Date for a Participant.

**Accumulation Value** - equals the sum of the values of the Fixed Interest Options and Variable Investment Options allocated to a Participant Account that have not been applied to provide annuity payments.

**Annuity Period** - the time during which VALIC makes annuity payments.

**Certificate Year** - a twelve month period starting with the issue date of a Participant's certificate and each anniversary of that date.

**Code** - the Internal Revenue Code of 1986, as amended.

**Company Reference** - "We," "Our," "Us," or "VALIC," means The Variable Annuity Life Insurance Company.

**Contract Owner** - the employer or other entity that makes application for the Contract.

**Investment Fund** - an investment portfolio which is the underlying investment medium for a Variable Investment Option.

**General Account** - the assets of VALIC other than those in the Separate Account or any other segregated asset account.

**Home Office** - the principal office of VALIC.

**Participant** - a person for whom or with respect to whom Purchase Payments are made under the Contract.

**Participant Account** - an individual account which is established for a Participant to record the Accumulation Value for the Participant.

**Plan** - the employer-sponsored retirement plan, annuity purchase arrangement, or deferred compensation program for which this Contract is issued.

**Purchase Payment** - an amount paid to VALIC for allocation to a Participant Account.

**Separate Account** - a segregated asset account established under the Texas Insurance Code (known as Separate Account A).

**Surrender Value** - the Accumulation Value of a Participant Account less any applicable surrender charge.

## Section 2 - CONTRACT AND PURCHASE PAYMENTS

**2.01 Incontestability** - This Contract is incontestable. This Contract is non-participating and does not share in the profits or surplus of VALIC.

**2.02 Minimum Contract Value** - We can distribute the Surrender Value if the Accumulation Value for the Participant Account falls below \$300 and there are no Purchase Payments for two Certificate Years.

**2.03 Plan Provisions** - As further explained in Section 5, this Contract is subject to the provisions of the Plan. To the extent provided by the Plan, any rights that may be exercised by a Participant under this Contract may instead be exercised by the Contract Owner or a Plan representative.

**2.04 Purchase Payments** - Purchase Payments may be made at any time during the Accumulation Period and may include amounts that are rolled over or directly transferred from another plan. We require no payment beyond the first. There is no penalty if any scheduled payments are omitted or stopped.

If only one Purchase Payment is to be allocated to a Participant's Account, it must be at least \$1,000. Periodic payments must be at least \$30 each. VALIC may waive this minimum.

We may deduct amounts from Purchase Payments or from the Accumulation Value for applicable premium taxes. We will allocate the net Purchase Payment to one or more Investment Options according to the Participant's directions unless the Contract Owner has retained that right under the Plan.

**2.05 Maintenance Charge** - There is no maintenance charge.

**2.06 Separate Account Charge** - We deduct a daily charge from the Separate Account. The amount of the charge depends on the Variable Investment Option from which it is deducted, and is imposed at an annual rate which ranges from 1% to 1.25% of the assets of the Variable Investment Option.

### Section 3 - INVESTMENT OPTIONS

We will allocate Purchase Payments (less any charges) to one or more Investment Options selected by the Participant. We reserve the right to limit allocations among Investment Options to seven at any one time. Each selection must be a whole percentage of Purchase Payments.

**3.01 Fixed Interest Options** - Fixed Interest Options are based on the General Account. Allocations to Fixed Interest Options earn interest as credited by VALIC during the Accumulation Period. The interest credited will be at least 3% per year.

There are two Fixed Interest Options: Short Term Fixed Account and Fixed Account Plus.

- (a) **Short Term Fixed Account.** We will credit interest to the Short Term Fixed Account on a portfolio basis. On the portfolio basis, all amounts accumulated will be credited with the same rate of interest for the current period.
- (b) **Fixed Account Plus.** We will credit interest to the Fixed Account Plus on the following basis. Periodically, but not less than annually, We will declare interest rates that apply separately to amounts accumulated in separate time periods.

**3.02 Variable Investment Options** - Variable Investment Options are based upon Investment Funds available within Separate Account A. Separate Account A invests in a number of Investment Funds. Each Investment Fund underlying a Variable Investment Option has a different investment objective. Investment returns on Variable Investment Options may be positive or negative.

**3.03 Accumulation Unit** - An Accumulation Unit is a measuring unit for amounts allocated to a Variable Investment Option before annuity payments begin. The value of an Accumulation Unit will vary with the net investment return of the respective underlying Investment Fund. Accumulation Units may be credited to the Participant's Account due to a Purchase Payment or a transfer from another Investment Option. The number of Accumulation Units credited to the Participant's Account is determined by dividing the dollar amount of the transaction by the Accumulation Unit Value for that Variable Investment Option at the next time it is computed.

**3.04 Accumulation Unit Value** - The Accumulation Unit Value is the value of one Accumulation Unit of a Variable Investment Option. We will calculate it at the end of trading each day the New York Stock Exchange is open, except as otherwise permitted by the Securities and Exchange Commission. The value of an Accumulation Unit of a Variable Invest-

ment Option is the Accumulation Unit Value last computed, multiplied by one plus the Investment Rate for the period. The Investment Rate may be positive or negative.

The Investment Rate is the change in the value of the Investment Fund's portfolio (capital gains and losses whether or not realized and investment income) since the last computation, divided by the amount of assets at the beginning of the period, less a factor for

- (a) the Separate Account Charge for the period at the applicable annualized rate ranging from 1% to 1.25%, and
- (b) any taxes attributable to the Separate Account or reserve held for such taxes.

**3.05 Transfers During the Accumulation Period** - During the Accumulation Period, the Participant may transfer amounts among Investment Options, except as provided below.

- (a) We reserve the right to limit allocations among Investment Options to seven at any one time.
- (b) We reserve the right to require transfers to be at least 30 days apart.
- (c) **Transfers from the Short Term Fixed Account.** After a transfer to the Short Term Fixed Account, the Participant may not make any transfer from the Short Term Fixed Account for 90 days. We may change this transfer restriction at any time. However, the transfer restriction period may not exceed 180 days.
- (d) **Transfers from Fixed Account Plus.** The Participant may transfer up to 20% of the Accumulation Value allocated to Fixed Account Plus during each Certificate Year. If multiple transfers are made in a Certificate Year, the percentages of the Accumulation Value transferred each time will be added together to determine the 20% transfer limit for that Certificate Year. For each transfer, the percentage transferred is the ratio of the amount transferred to the portion of the Accumulation Value allocated to Fixed Account Plus immediately prior to the transfer. However, if following a 20% transfer, the remaining amount allocated to Fixed Account Plus would be less than \$500, the Participant may transfer the remaining amount.

A withdrawal for the purpose of transfers from Fixed Account Plus to another funding entity counts as a transfer or withdrawal under Section 4.01 of this Contract.

**3.06 Transfers During the Annuity Period** - During the Annuity Period, the Participant may transfer Annuity Unit values among the Variable Investment Options. The Participant may also transfer Annuity Unit values from the Variable Investment Options underlying a Variable Annuity to provide a Fixed Annuity. Transfers must be at least 365 days apart. We will not permit any transfer from a Fixed Annuity during the Annuity Period.

## Section 4 - BENEFITS

- 4.01 **Cash Surrender or Withdrawal** - There is no charge for cash surrenders or withdrawals.
- (a) **Cash Surrender.** Subject to the restrictions in Sections 5.01 and 5.05, the Participant may surrender the Participant Account before the Annuity Date for a cash payment equal to the Surrender Value as of the date We receive the request at the Home Office. The Surrender Value is the Accumulation Value. The Surrender Value of the Fixed Interest Options will never be less than the amount of all Purchase Payments allocated to the Fixed Interest Options, less any amounts transferred to Variable Investment Options or withdrawn.
- (b) **Withdrawal.** Subject to the restrictions in Sections 5.01 and 5.05, the Participant may withdraw a portion of the Accumulation Value in cash at any time before the Annuity Date.
- 4.02 **Transfer Restriction to Other Funding Entities** - Up to 20% of Fixed Account Plus may be withdrawn or transferred to another funding entity each Certificate Year. However, if the Accumulation Value remaining under Fixed Account Plus would be less than \$500, such value may be transferred in full at that time. A transfer from Fixed Account Plus to another Investment Option counts as a transfer or withdrawal under this section. A Participant may choose to have Fixed Account Plus' Surrender Value transferred to another funding entity in one of two ways:
- (a) **Five Year Equal Amount Installment Method.** The interest rate during the five year payout period will be declared in advance by VALIC. No other withdrawals may be made once payments begin.
- (b) **Decreasing Balance Method.** Under this method, 1/5 of the account balance will be transferred the first year; 1/4 of the remaining balance the second year; 1/3 of the remaining balance the third year; 1/2 of the remaining balance the fourth year; the entire remaining balance the fifth year. Interest under this method will be credited at a rate determined by VALIC. Withdrawals may be made under this method.
- 4.03 **Conditions Under Which the Transfer Restriction to Other Funding Entities Will Not Apply** - There is no restriction on transfers from Fixed Account Plus to another funding entity under any of the following conditions:
- (a) The Participant elects an Annuity Income Option; or
- (b) After the death of the Participant; or
- (c) The Participant has become totally and permanently disabled (see Section 5.01(c)); or
- (d) The Participant is separated from service with the employer that maintains the Plan; or
- (e) The Participant is retired from service with the employer that maintains the Plan; or
- (f) To the extent that a withdrawal or surrender is made on account of a hardship under the terms of the employer's Plan.
- 4.04 **Annuity Period** - The Annuity Period begins at the Annuity Date, when the Participant's Accumulation Value is applied under an Annuity Income Option. The Participant may change the Annuity Date shown on the first page of the Participant Certificate by giving Us at least 30 days notice. The selected Annuity Date may be the first day of any calendar month, but if the Participant chooses a life income option, the Annuity Date may not precede the Participant's 50th birthday without Our permission.
- 4.05 **Starting Annuity Income Benefits** - At least 30 days in advance of the Annuity Date, the Participant must choose one of the Annuity Income Options in Section 4.09 and provide acceptable proof of age for any person whose age is taken into account under a life income option. If the Participant fails to select another Annuity Income Option, annuity payments will be made on the basis of the Second Option with payments guaranteed for a ten-year period, commencing on the Annuity Date.
- 4.06 **Partial Annuitization** - The Participant may choose to apply less than the full Accumulation Value under an Annuity Income Option and may choose different Annuity Dates and different Annuity Income Options for different portions of the Accumulation Value. Therefore, the Contract may, at times, be in both an Accumulation Period and an Annuity Period. If the Participant chooses to do this, the provisions of the Contract relating to the Accumulation Period and the Annuity Period will be applied as though there were separate Contracts.
- 4.07 **Minimum Annuity Payments** - The Participant may not choose any Annuity Income Option if the resulting initial payment would be less than \$25 under either a Fixed or Variable Annuity. We reserve the right to convert monthly payments to quarterly, semi-annual or annual payments so the initial payment will be at least \$25.

- 4.08 **Misstatement of Age** - If annuity payments depend upon an individual's survival and the date of birth of any individual was misstated, We will adjust the remaining payments. The amount remaining to be paid will be the amount that should have been paid with the correct information. We will credit or charge the amount of any underpayment or overpayment against the next succeeding payment or payments, if any remain. We reserve the right to collect any overpayment directly from the payee.
- 4.09 **Annuity Income (Payment) Options** - The Participant may choose to receive payments under any of the Annuity Income Options below or any other option agreed to by VALIC. Any option chosen must comply with applicable state and federal laws and regulations.
- FIRST OPTION - Life Annuity With No Guarantee Period** - An income payable during the Participant's life. All payments cease at the Participant's death with no further amounts payable.
- SECOND OPTION - Life Annuity With Guarantee Period of 5, 10, 15, or 20 Years** - An income payable during the Participant's life. If, at the Participant's death, We have made payments for fewer than the number of years selected, We will continue payments to the Beneficiary for the remainder of the guarantee period.
- THIRD OPTION - Life Annuity With Cash or Unit Refund Option** - An income payable during the Participant's life. Payments cease at the Participant's death. However, the Beneficiary may receive an additional payment.
- For payments on a Fixed Annuity basis, the additional payment, if any, will be the Accumulation Value applied to this option less the total of all prior payments.
- For payments on a Variable Annuity basis, the additional payment, if any, will be the current value of the number of Annuity Units credited at the Annuity Date less the number of Annuity Units that have been paid. For this purpose, the number of Annuity Units credited equals the Accumulation Value applied to this option divided by the Annuity Unit Value at the date used to calculate the first annuity payment.
- FOURTH OPTION - Joint and Survivor Life Annuity** - An income payable during the joint lives of the Participant and a second person and thereafter during the life of the survivor.
- FIFTH OPTION - Payments for a Designated Period** - An income payable for a selected number of years between five and thirty. This option is available for Fixed Annuities only.
- 4.10 **Fixed or Variable Annuity Basis** - A Fixed Annuity provides benefit payments of a fixed dollar amount. A Variable Annuity provides benefit payments which vary with the investment return of the chosen Variable Investment Options.
- The Participant may elect to receive payments under any annuity option as a Fixed Annuity, a Variable Annuity, or a combination Fixed and Variable Annuity. If the Participant makes no election, amounts in Fixed Interest Options will provide a Fixed Annuity and amounts in Variable Investment Options will provide a Variable Annuity.
- 4.11 **Variable Annuity Payments** - We will determine the amount of each Variable Annuity payment by multiplying the number of Annuity Units payable by the Annuity Unit Value on the tenth day (or the preceding business day if the tenth day is not a business day) prior to the payment due date.
- We will determine the number of Annuity Units payable at the beginning of the Annuity Period. We will divide the dollar amount of the first payment by the Annuity Unit Value for that Variable Investment Option on the tenth day before the Annuity Date. The number of Annuity Units payable from each Variable Investment Option remains constant unless the Participant transfers a portion of the annuity benefit between the Variable Investment Options or from a Variable Annuity to a Fixed Annuity. However, the dollar amount payable is not fixed and may change from month to month.
- 4.12 **Assumed Investment Rate (AIR)** - Since the future rate of return on Variable Options is unknown, the Participant must choose an Assumed Investment Rate (AIR). The AIR is the assumed rate of return used to determine the first annuity payment for a Variable Annuity Option. Rates of 3%, 3 1/2%, 4 1/2%, 5% or a higher rate may be chosen if permitted by state law and regulations. If no AIR is chosen, the AIR will be 3 1/2%. A higher AIR will result in a higher initial payment. Choice of a lower AIR will result in a lower initial payment. Payments will increase whenever the actual return exceeds the chosen AIR. Payments will decrease whenever the actual return is less than the chosen AIR.
- 4.13 **Annuity Units and Annuity Unit Value** - An Annuity Unit is a measuring unit We use to determine the amount of the annuity payments to be made. All or a portion of the Accumulation Value is used to purchase a stream of annuity payments represented by a number of Annuity Units payable each period. The value of these Annuity Units represents the benefit amount paid each period.

For Fixed Annuity options the number of Annuity Units equals the dollar amount of each payment since the Annuity Unit Value is fixed at \$1.00.

For Variable Annuity options, the Annuity Unit Value varies with the investment rate each period. The Annuity Unit Value is the value of one Annuity Unit of an Investment Option.

The value of a Variable Annuity Unit is A multiplied by B multiplied by C (AxBxC).

A = the Annuity Unit Value for the Variable Investment Option at the immediately preceding computation date

B = 1 + the investment rate for the variable fund for the period

C = the applicable AIR Factor from the following table raised to the power of the number of days in the period.

AIR	AIR Factor
3%	0.999919
3 1/2%	0.999906
4 1/2%	0.999879
5%	0.999866

4.14 **Betterment of Rates - Fixed Annuity** - We will use the applicable current settlement option rates if these will provide higher fixed annuity payments to the Participant. If a commutation (cash out of remaining annuity payments) is allowed, the rates previously used to calculate the annuity payments will be used for the commutation request.

4.15 **Annuity Rate Tables** - The value We use to determine annuity payments will be the applied portion of the Accumulation Value on the tenth day (or the

preceding business day if the tenth day is not a business day) preceding the date of the first annuity payment, less any applicable premium taxes.

The following tables are based on the 1983a mortality table and assume births in the year 1900. The tables show the amount required to purchase a first monthly payment of \$1.00. Quarterly, semiannual, and annual payments may also be selected.

The amount of each payment will depend upon the Annuitant's adjusted age at the time the first payment is due. Adjusted age will be determined in accordance with the following:

Calendar Year of Birth	Adjusted Age is Actual Age Minus
Before 1916	0
1916 - 1935	1
1936 - 1955	2
1956 - 1975	3
After 1975	4

Actual age, as used above, means the Annuitant's age at the birthday nearest to the Annuity Date.

Table A is the Table to use for Variable Annuities with a 3% AIR (see Section 4.12) and to determine the minimum guarantees for Fixed Annuities. Tables B, C, and D are to be used for Variable Annuities with 3 1/2%, 4 1/2% and 5% AIRs respectively.

**TABLE A**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$250.48	\$250.83	\$251.98	\$254.04	\$257.21	\$259.24
51	246.41	246.79	248.04	250.27	253.72	255.69
52	242.26	242.68	244.03	246.45	250.21	252.09
53	238.03	238.49	239.95	242.58	246.69	248.43
54	233.73	234.23	235.81	238.67	243.15	244.71
55	229.35	229.88	231.60	234.72	239.60	240.94
56	224.89	225.46	227.32	230.73	236.05	237.12
57	220.34	220.96	222.98	226.71	232.52	233.24
58	215.71	216.38	218.59	222.65	229.01	229.31
59	210.99	211.72	214.14	218.58	225.54	225.33
60	206.19	206.99	209.63	214.50	222.12	221.29
61	201.30	202.18	205.08	210.42	218.75	217.19
62	196.35	197.31	200.50	206.34	215.47	213.04
63	191.32	192.39	195.88	202.30	212.28	208.83
64	186.24	187.41	191.25	198.29	209.20	204.54
65	181.11	182.40	186.61	194.34	206.25	200.18
66	175.92	177.34	181.97	190.46	203.44	195.73
67	170.70	172.26	177.35	186.66	200.79	191.41
68	165.43	167.15	172.75	182.97	198.31	186.93
69	160.13	162.01	168.18	179.39	196.00	182.35
70	154.78	156.86	163.66	175.95	193.89	178.01
71	149.41	151.71	159.21	172.66	191.97	173.43
72	144.01	146.56	154.85	169.54	190.26	169.01
73	138.61	141.44	150.59	166.61	188.73	164.46
74	133.21	136.35	146.45	163.88	187.41	159.83
75	127.84	131.33	142.46	161.36	186.26	155.48

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$280.54	\$282.36	\$284.24	\$286.16	\$288.12	\$290.13	\$292.17	\$294.25	\$296.35	\$298.47	\$300.61
51	276.91	278.78	280.70	282.67	284.69	286.75	288.85	290.98	293.13	295.31	297.51
52	273.19	275.10	277.07	279.10	281.17	283.28	285.43	287.62	289.83	292.07	294.33
53	269.37	271.34	273.36	275.43	277.55	279.72	281.93	284.17	286.45	288.74	291.06
54	265.46	267.47	269.54	271.67	273.85	276.07	278.33	280.64	282.97	285.33	287.71
55	261.45	263.51	265.64	267.81	270.05	272.33	274.65	277.01	279.40	281.83	284.27
56	257.34	259.46	261.63	263.86	266.15	268.49	270.87	273.29	275.75	278.23	280.74
57	253.13	255.30	257.53	259.82	262.16	264.56	267.00	269.48	272.00	274.55	277.12
58	248.82	251.04	253.32	255.67	258.07	260.53	263.03	265.58	268.16	270.77	273.40
59	244.40	246.67	249.01	251.42	253.88	256.40	258.97	261.57	264.22	266.90	269.60
60	239.88	242.21	244.60	247.07	249.59	252.17	254.80	257.48	260.19	262.93	265.70
61	235.26	237.64	240.09	242.61	245.20	247.84	250.54	253.28	256.06	258.87	261.71
62	230.54	232.97	235.47	238.06	240.70	243.41	246.17	248.98	251.83	254.71	257.62
63	225.71	228.19	230.76	233.40	236.11	238.88	241.71	244.58	247.50	250.46	253.44
64	220.79	223.32	225.94	228.64	231.41	234.25	237.14	240.09	243.08	246.10	249.16
65	215.78	218.35	221.02	223.78	226.61	229.51	232.47	235.49	238.55	241.65	244.78
66	210.67	213.30	216.02	218.82	221.71	224.68	227.71	230.79	233.93	237.10	240.31
67	205.48	208.15	210.92	213.78	216.72	219.75	222.84	226.00	229.21	232.45	235.74
68	200.20	202.91	205.73	208.64	211.64	214.73	217.88	221.11	224.38	227.71	231.06
69	194.83	197.59	200.45	203.41	206.47	209.61	212.83	216.12	219.46	222.86	226.30
70	189.39	192.19	195.09	198.10	201.21	204.41	207.68	211.03	214.45	217.92	221.43
71	183.87	186.70	189.66	192.71	195.87	199.12	202.45	205.86	209.34	212.88	216.47
72	178.28	181.15	184.14	187.24	190.45	193.75	197.14	200.61	204.15	207.76	211.41
73	172.63	175.53	178.56	181.70	184.96	188.31	191.75	195.28	198.88	202.55	206.27
74	166.94	169.86	172.92	176.10	179.40	182.80	186.29	189.87	193.53	197.26	201.05
75	161.21	164.15	167.23	170.44	173.78	177.22	180.77	184.40	188.11	191.90	195.75

**TABLE B**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3 1/2%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$233.36	\$233.71	\$234.82	\$236.75	\$239.66	\$240.70
51	229.87	230.25	231.45	233.54	236.72	237.65
52	226.30	226.72	228.01	230.29	233.74	234.54
53	222.65	223.10	224.51	226.98	230.75	231.36
54	218.93	219.41	220.93	223.62	227.73	228.12
55	215.11	215.64	217.28	220.22	224.70	224.82
56	211.21	211.78	213.57	216.77	221.66	221.45
57	207.23	207.84	209.79	213.28	218.62	218.02
58	203.15	203.81	205.94	209.76	215.60	214.53
59	198.98	199.70	202.03	206.21	212.60	210.96
60	194.73	195.51	198.06	202.64	209.63	207.33
61	190.38	191.24	194.04	199.05	206.70	203.63
62	185.95	186.90	189.97	195.47	203.84	199.85
63	181.45	182.50	185.86	191.89	201.06	195.99
64	176.88	178.03	181.73	188.35	198.37	192.18
65	172.25	173.52	177.57	184.84	195.78	188.25
66	167.56	168.95	173.41	181.39	193.31	184.24
67	162.81	164.34	169.24	178.00	190.97	180.31
68	158.01	159.70	165.09	174.70	188.78	176.25
69	153.16	155.01	160.95	171.49	186.75	172.11
70	148.26	150.30	156.85	168.40	184.88	168.10
71	143.31	145.57	152.79	165.44	183.18	163.94
72	138.33	140.83	148.81	162.62	181.65	159.70
73	133.32	136.10	144.91	159.98	180.30	155.66
74	128.31	131.39	141.11	157.51	179.12	151.45
75	123.30	126.73	137.44	155.22	178.10	147.15

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$259.51	\$261.02	\$262.56	\$264.14	\$265.75	\$267.38	\$269.05	\$270.72	\$272.42	\$274.13	\$275.84
51	256.50	258.05	259.64	261.26	262.92	264.61	266.32	268.06	269.80	271.57	273.33
52	253.39	254.99	256.63	258.30	260.01	261.75	263.52	265.30	267.11	268.92	270.75
53	250.19	251.84	253.53	255.25	257.01	258.80	260.62	262.47	264.33	266.20	268.08
54	246.90	248.59	250.33	252.11	253.92	255.77	257.64	259.54	261.46	263.39	265.33
55	243.51	245.25	247.04	248.87	250.74	252.64	254.57	256.53	258.51	260.50	262.50
56	240.02	241.82	243.66	245.54	247.47	249.42	251.41	253.43	255.46	257.52	259.58
57	236.43	238.28	240.17	242.11	244.09	246.11	248.16	250.23	252.33	254.44	256.57
58	232.74	234.64	236.59	238.58	240.62	242.70	244.81	246.94	249.10	251.28	253.47
59	228.94	230.89	232.90	234.95	237.05	239.19	241.36	243.56	245.78	248.03	250.28
60	225.03	227.04	229.10	231.22	233.38	235.58	237.81	240.08	242.37	244.68	247.00
61	221.02	223.08	225.20	227.38	229.60	231.87	234.17	236.50	238.85	241.23	243.62
62	216.90	219.02	221.20	223.43	225.72	228.05	230.42	232.82	235.24	237.69	240.15
63	212.68	214.85	217.09	219.38	221.73	224.13	226.56	229.03	231.53	234.05	236.58
64	208.35	210.58	212.87	215.23	217.64	220.10	222.61	225.15	227.71	230.31	232.91
65	203.92	206.20	208.55	210.97	213.44	215.97	218.55	221.16	223.80	226.46	229.15
66	199.40	201.73	204.13	206.60	209.14	211.74	214.38	217.06	219.78	222.52	225.28
67	194.78	197.16	199.61	202.14	204.74	207.40	210.11	212.87	215.66	218.48	221.31
68	190.06	192.49	195.00	197.58	200.24	202.96	205.74	208.57	211.43	214.33	217.24
69	185.25	187.72	190.28	192.92	195.64	198.42	201.27	204.16	207.10	210.07	213.07
70	180.35	182.87	185.48	188.17	190.95	193.79	196.70	199.66	202.67	205.72	208.79
71	175.35	177.92	180.58	183.33	186.16	189.06	192.03	195.06	198.14	201.26	204.41
72	170.28	172.89	175.60	178.40	181.28	184.24	187.27	190.37	193.51	196.70	199.93
73	165.14	167.78	170.53	173.38	176.32	179.34	182.43	185.58	188.80	192.06	195.36
74	159.93	162.60	165.39	168.29	171.28	174.35	177.50	180.72	183.99	187.32	190.69
75	154.67	157.37	160.19	163.13	166.16	169.29	172.49	175.77	179.11	182.51	185.95

**TABLE C**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 4 1/2%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$204.42	\$204.75	\$205.77	\$207.48	\$209.94	\$209.57
51	201.83	202.19	203.30	205.15	207.83	207.29
52	199.16	199.55	200.75	202.77	205.68	204.94
53	196.41	196.84	198.14	200.33	203.51	202.52
54	193.58	194.05	195.45	197.84	201.30	200.04
55	190.67	191.17	192.70	195.30	199.07	197.48
56	187.67	188.21	189.87	192.70	196.83	194.84
57	184.58	185.17	186.97	190.07	194.57	192.18
58	181.40	182.04	184.00	187.39	192.31	189.42
59	178.12	178.82	180.97	184.67	190.06	186.59
60	174.75	175.51	177.87	181.92	187.82	183.68
61	171.28	172.12	174.70	179.14	185.60	180.76
62	167.73	168.64	171.48	176.35	183.42	177.73
63	164.09	165.09	168.21	173.55	181.29	174.63
64	160.36	161.48	164.90	170.76	179.22	171.46
65	156.57	157.79	161.55	167.99	177.22	168.31
66	152.70	154.05	158.18	165.24	175.31	165.04
67	148.76	150.24	154.78	162.54	173.49	161.70
68	144.75	146.38	151.38	159.88	171.78	158.28
69	140.67	142.46	147.97	157.30	170.19	154.96
70	136.53	138.50	144.57	154.80	168.72	151.48
71	132.31	134.50	141.20	152.39	167.38	147.92
72	128.04	130.46	137.87	150.10	166.17	144.48
73	123.73	126.41	134.59	147.93	165.10	140.90
74	119.38	122.37	131.39	145.90	164.16	137.25
75	115.01	118.33	128.27	144.02	163.35	133.53

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$224.40	\$225.44	\$226.49	\$227.57	\$228.65	\$229.75	\$230.86	\$231.97	\$233.08	\$234.19	\$235.30
51	222.31	223.38	224.48	225.60	226.73	227.87	229.02	230.17	231.33	232.49	233.65
52	220.13	221.25	222.39	223.55	224.72	225.91	227.11	228.31	229.52	230.72	231.93
53	217.87	219.03	220.22	221.42	222.64	223.88	225.12	226.37	227.63	228.88	230.14
54	215.52	216.73	217.96	219.21	220.48	221.76	223.06	224.36	225.66	226.97	228.27
55	213.08	214.34	215.61	216.91	218.23	219.56	220.91	222.26	223.62	224.98	226.33
56	210.55	211.85	213.18	214.53	215.90	217.28	218.68	220.08	221.49	222.91	224.32
57	207.92	209.27	210.65	212.05	213.47	214.91	216.36	217.82	219.29	220.76	222.22
58	205.19	206.59	208.03	209.48	210.96	212.45	213.96	215.48	217.00	218.52	220.05
59	202.36	203.82	205.30	206.81	208.35	209.90	211.46	213.04	214.62	216.20	217.79
60	199.43	200.94	202.48	204.05	205.64	207.25	208.87	210.51	212.15	213.80	215.44
61	196.39	197.95	199.55	201.18	202.83	204.50	206.19	207.89	209.59	211.30	213.01
62	193.24	194.86	196.51	198.20	199.91	201.65	203.40	205.16	206.94	208.71	210.48
63	189.98	191.66	193.37	195.12	196.90	198.70	200.51	202.34	204.18	206.03	207.87
64	186.62	188.35	190.13	191.93	193.77	195.64	197.53	199.42	201.33	203.24	205.16
65	183.16	184.94	186.77	188.64	190.55	192.48	194.43	196.40	198.38	200.36	202.35
66	179.59	181.42	183.31	185.24	187.21	189.21	191.23	193.27	195.32	197.38	199.44
67	175.91	177.80	179.75	181.74	183.77	185.83	187.93	190.04	192.16	194.30	196.43
68	172.13	174.07	176.07	178.12	180.22	182.35	184.51	186.70	188.90	191.11	193.32
69	168.24	170.24	172.30	174.41	176.56	178.76	180.99	183.25	185.52	187.81	190.10
70	164.24	166.30	168.41	170.58	172.80	175.06	177.36	179.69	182.04	184.41	186.78
71	160.14	162.25	164.42	166.65	168.94	171.26	173.63	176.03	178.46	180.90	183.35
72	155.95	158.10	160.33	162.62	164.97	167.36	169.80	172.27	174.77	177.28	179.82
73	151.66	153.86	156.15	158.49	160.90	163.36	165.86	168.40	170.97	173.57	176.18
74	147.29	149.54	151.87	154.27	156.74	159.26	161.83	164.44	167.08	169.75	172.44
75	142.84	145.13	147.50	149.96	152.48	155.07	157.70	160.38	163.10	165.84	168.60

**TABLE D**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$192.14	\$192.47	\$193.45	\$195.06	\$209.94	\$196.46
51	189.89	190.25	191.32	193.06	195.52	194.47
52	187.57	187.96	189.12	191.01	193.69	192.45
53	185.18	185.60	186.85	188.91	191.83	190.34
54	182.70	183.16	184.51	186.76	189.94	188.17
55	180.14	180.64	182.11	184.55	188.03	185.92
56	177.50	178.04	179.63	182.30	186.09	183.60
57	174.77	175.35	177.09	180.00	184.14	181.21
58	171.95	172.58	174.47	177.65	182.18	178.81
59	169.03	169.71	171.79	175.27	180.22	176.29
60	166.02	166.77	169.04	172.85	178.27	173.70
61	162.91	163.73	166.22	170.40	176.34	171.03
62	159.72	160.62	163.35	167.93	174.43	168.35
63	156.43	157.42	160.43	165.45	172.56	165.57
64	153.06	154.16	157.45	162.97	170.74	162.71
65	149.62	150.82	154.44	160.50	168.98	159.78
66	146.09	147.42	151.40	158.04	167.30	156.86
67	142.49	143.95	148.32	155.62	165.69	153.83
68	138.82	140.42	145.24	153.24	164.18	150.73
69	135.07	136.83	142.14	150.92	162.77	147.55
70	131.25	133.19	139.04	148.66	161.46	144.44
71	127.35	129.50	135.96	146.49	160.27	141.20
72	123.39	125.77	132.90	144.42	159.20	137.89
73	119.38	122.02	129.89	142.45	158.24	134.51
74	115.32	118.25	126.94	140.61	157.41	131.31
75	111.23	114.50	124.08	138.90	156.68	127.92

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$209.69	\$210.56	\$211.44	\$212.32	\$213.22	\$214.12	\$215.03	\$215.93	\$216.84	\$217.74	\$218.64
51	207.94	208.84	209.76	210.69	211.62	212.56	213.51	214.46	215.41	216.35	217.29
52	206.11	207.05	208.01	208.98	209.96	210.94	211.93	212.92	213.91	214.90	215.88
53	204.21	205.19	206.18	207.19	208.21	209.24	210.28	211.31	212.35	213.38	214.40
54	202.21	203.24	204.28	205.33	206.40	207.47	208.55	209.63	210.71	211.79	212.86
55	200.14	201.21	202.29	203.39	204.50	205.62	206.75	207.88	209.01	210.13	211.25
56	197.97	199.09	200.22	201.37	202.53	203.69	204.87	206.05	207.22	208.40	209.57
57	195.72	196.88	198.06	199.26	200.46	201.68	202.91	204.14	205.37	206.60	207.82
58	193.37	194.58	195.81	197.05	198.32	199.59	200.86	202.15	203.43	204.71	205.99
59	190.92	192.18	193.46	194.76	196.07	197.40	198.73	200.07	201.41	202.75	204.08
60	188.36	189.68	191.01	192.37	193.74	195.12	196.51	197.91	199.30	200.70	202.09
61	185.71	187.08	188.47	189.88	191.31	192.75	194.20	195.65	197.11	198.56	200.01
62	182.95	184.37	185.82	187.29	188.78	190.28	191.79	193.31	194.83	196.34	197.85
63	180.09	181.56	183.07	184.60	186.15	187.71	189.28	190.87	192.45	194.03	195.61
64	177.12	178.65	180.21	181.80	183.41	185.04	186.68	188.33	189.98	191.62	193.27
65	174.04	175.63	177.25	178.90	180.57	182.26	183.97	185.69	187.40	189.12	190.83
66	170.86	172.50	174.18	175.89	177.62	179.38	181.16	182.94	184.73	186.52	188.30
67	167.57	169.27	171.00	172.77	174.57	176.40	178.24	180.10	181.96	183.82	185.68
68	164.18	165.93	167.72	169.55	171.41	173.30	175.21	177.14	179.08	181.01	182.95
69	160.67	162.48	164.33	166.22	168.14	170.10	172.08	174.08	176.09	178.10	180.11
70	157.06	158.92	160.83	162.78	164.77	166.79	168.84	170.91	173.00	175.09	177.18
71	153.34	155.25	157.22	159.23	161.29	163.38	165.50	167.64	169.80	171.96	174.13
72	149.51	151.48	153.51	155.58	157.70	159.86	162.05	164.26	166.49	168.74	170.98
73	145.59	147.61	149.69	151.83	154.01	156.24	158.49	160.78	163.08	165.40	167.73
74	141.58	143.65	145.78	147.97	150.22	152.51	154.84	157.19	159.57	161.97	164.37
75	137.49	139.59	141.77	144.02	146.33	148.68	151.08	153.51	155.96	158.43	160.91

**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY  
WITH A FIRST MONTHLY PAYMENT OF \$1.00**

Option 5 -- Payment for a Designated Period

Years of Payment	Years of Payment
5	\$ 55.83
6	66.05
7	75.99
8	85.62
9	94.97
10	104.06
11	112.87
12	121.36
13	129.70
14	137.74
15	145.56
16	153.14
17	160.51
18	\$167.79
19	174.52
20	181.49
21	187.97
22	194.17
23	200.40
24	206.61
25	212.31
26	217.86
27	223.71
28	228.83
29	234.19
30	239.23

**Frequency of Payments.** Annuity payments under this Contract will be made monthly. If such payments would amount to less than \$25 each, We reserve the right to make less frequent payments. If at any time the annual rate of payment to any payee is less than \$100, We may make a lump sum payment of the remaining annuity value.

**4.16 Beneficiaries**

- (a) **Definition of Beneficiary.** A Beneficiary is the person or entity the Participant designates to receive any benefits payable upon the Participant's death.
- (b) **Designation of Beneficiary.** During the Participant's lifetime, he or she has the right to designate a Beneficiary and to change the designation. The change may be made by sending a written request to Our Home Office. The change will take effect when We have recorded the change. However, after the change is recorded, the change will be deemed effective as of the date of the written request for change. The change will be subject to any payment made or action taken by Us before the request is recorded.
- (c) **Payments to Beneficiary.** Unless otherwise provided in the Beneficiary designation:
  - (1) If any Beneficiary dies prior to the Participant, that Beneficiary's interest will pass to any other Beneficiary according to the surviving Beneficiary's respective interest.
  - (2) If no Beneficiary survives the Participant, death benefits will be paid to the Participant's estate.
  - (3) If any Beneficiary dies after the Participant, that Beneficiary's interest will pass to his or her Beneficiary or, if none, to his or her estate.

(d) **Simultaneous Death Provision.** If We cannot determine whether the Participant or a Beneficiary died first in a common disaster, We will assume that the Beneficiary died first and make payments on that basis.

(e) **Multiple Beneficiaries.** The Participant may designate two or more Beneficiaries to receive separate percentage interests in the death benefits payable under this Contract. Each such Beneficiary may separately exercise the rights that a Beneficiary has under this Contract.

(f) **Trust or Estate as Beneficiary.** Payments to a beneficiary that is a trust or estate will be made only in a lump sum or in installments over a period not to exceed five years.

**4.17 Death Payment Provisions**

- (a) **Death During Accumulation Period.** If the Participant dies during the Accumulation Period, a death benefit is payable. The death benefit is the greater of (a) the Accumulation Value of the Participant's Account on the date We receive proof of death, or (b) 100% of Purchase Payments reduced by the amount of any prior withdrawals and further reduced by any portion of the Accumulation Value that has been applied under an Annuity Income Option.

Subject to Section 5.03, the death benefit is payable at any time the Participant's Beneficiary selects and in any form the Participant could have selected under this Contract.

- (b) **Death During Annuity Period.** If the Participant dies during the Annuity Period, the amount of the death benefit, if any, will be based on the terms of the Annuity Income Option. Unless the Participant elected the Fourth Option, the Beneficiary may elect to receive the death benefit in one of the following forms:

- (1) Continuing annuity payments under the terms of the Participant's Annuity Income Option with the right, for Variable Annuities only, to receive the remaining payments in a lump sum at any time thereafter;
- (2) A lump sum; or
- (3) Annuity payments under another Annuity Income Option, based on the available lump sum and subject to the limitations of Section 5.03.

The lump sum available under these alternatives is the present value of remaining payments, discounted at the Assumed Investment

Rate, and based on the current Annuity Unit Value for (2) and (3), or the value next determined after receipt of the request at VALIC's Home Office for (1).

- (c) **Investment Options and Other Rights.** Until the death benefits have been fully paid, the Participant's Beneficiary will be entitled to exercise all the Investment Options and other rights the Participant can exercise under this Contract. Unpaid death benefits that have not been applied under an Annuity Income Option will have an Accumulation Value determined in the same manner as the Participant's Accumulation Value.

- (d) **Proof of Death.** Proof of death may be made by sending VALIC a certified copy of the death certificate, a certified copy of a decree of a court of competent jurisdiction as to death, a written statement by an attending physician, or any other proof satisfactory to VALIC.

## Section 5 - CODE REQUIREMENTS AND RETIREMENT PLAN PROVISIONS

5.01 **Salary Reduction Purchase Payments** - If the Participant's Purchase Payments are made under a voluntary salary reduction agreement as part of a Tax-Deferred Annuity arrangement under Section 403(b) of the Code, i) there may not be a separate Plan document, in which case the Contract is the Plan, and ii) in either case the following restrictions apply:

- (a) **Limit on Purchase Payments.** A Participant's salary reduction Purchase Payments may not exceed the limits of Section 402(g) of the Code. We reserve the right to refund excess Purchase Payments.
- (b) **Withdrawal Restrictions.** The Participant's Accumulation Value attributable to salary reduction Purchase Payments cannot be withdrawn or otherwise distributed before the Participant is 59 1/2 years old, unless the Participant (1) has separated from service with the employer maintaining the Plan, (2) dies, (3) becomes disabled (see Section 5.01(c) below), or (4) has incurred a hardship (hardship withdrawals are not available for earnings on salary reduction purchase payments). This limitation will be applied in a manner consistent with the requirements of Section 403(b)(11) of the Code. Equivalent withdrawal restrictions apply to any portion of the Accumulation Value that is attributable to Purchase Payments representing amounts directly transferred from a custodial account under Section 403(b)(7) of the Code.
- (c) **Total and Permanent Disability.** This means that the Participant is unable, because of physical or mental impairment, to perform the material and substantial duties of any occupation for which the Participant is suited by means of education, training or experience. The impairment must have been in existence for more than 180 days to qualify for this benefit.  
Such impairment must be expected to result in death or be long-standing and indefinite.  
We require proof of disability. We will accept a certified Social Security finding of disability or a doctor's verification.

### 5.02 Minimum Distributions After Age 70 1/2

- (a) **General Rules.** The Participant's benefits under the Contract must satisfy minimum distribution rules of the applicable section of the Code and regulations issued by the

Secretary of the Treasury under the applicable section. These minimum distribution rules generally require that benefits begin after the Participant is 70 1/2 years old and that the minimum amount is paid each year. Payments may be made in the form of annual withdrawals or under an Annuity Income Option.

Code Sections which apply are: (i) Section 401(a)(9) for contracts issued for a Plan intended to meet Sections 401(a) and/or 403(a), (ii) Section 403(b)(10) for Section 403(b) contracts, and (iii) Section 457(d) for deferred compensation plans under Section 457.

- (b) **Minimum Annual Withdrawals.** The minimum withdrawal is set each year based on the Accumulation Value and the life expectancy of the Participant and the Participant's Beneficiary. The Participant may elect to have life expectancies computed for each year's distribution, or to use the life expectancies computed at the first distribution (reduced by one year for each annual withdrawal) for all later distributions. If the Participant's Beneficiary is not the Participant's spouse, the annual withdrawal must meet the minimum distribution incidental benefit requirements.
- (c) **Annuity Income Option.** If the Participant elects payments under an Annuity Income Option, the guaranteed or expected period of payments under the Annuity Income Option may not exceed the Participant's life expectancy and that of the Participant's Beneficiary at the Annuity Date, or a shorter period if the Participant's Beneficiary is not the Participant's spouse.
- (d) **403(b) Exception to General Rule.** Any amount added to the Contract which was initially within a Section 403(b) contract prior to January 1, 1987 and continually since then, may either be paid in a manner which meets these rules or must (1) begin to be paid when the Participant is age 75; and (2) the present value of payments expected to be made to the Participant, over life, under the option chosen must exceed 50% of the present value of all payments expected to be made ("the 50% rule"). Notwithstanding, the Participant's entire Section 403(b) Contract balance must meet the minimum distribution incidental benefit requirement of Section 403(b)(10).

### 5.03 Minimum Death Benefit Distributions

- (a) General Rules. The death benefit, if any, payable to the Participant's Beneficiary must also satisfy the rules of Section 401(a)(9)(B), Section 403(b)(10) or Section 457(d), whichever may be applicable, and the regulations issued under such sections by the Secretary of the Treasury. The post-death rules of these sections limit the extent to which a Beneficiary may delay payment of death benefits. The Participant's Beneficiary may satisfy these rules by receiving a lump sum, annual withdrawals, or payments under an Annuity Income Option.
- (b) Death Before Distributions Begin. If the Participant dies before payments under an Annuity Income Option (or post-age 70 1/2 withdrawals) have begun, the Participant's Beneficiary must either receive the whole benefit by the end of the fifth year following the year of the Participant's death or receive the benefit in installment payments over his or her life or life expectancy if payments begin by the calendar year following the year of the Participant's death. The Participant's spouse beneficiary may delay distributions until the Participant would have reached age 70 1/2.
- (c) Death After Distributions Begin. If the Participant dies after payments under an Annuity Income Option (or post-age 70 1/2 withdrawals) have begun, the death benefit must be paid at least as fast as under the method the Participant selected.

5.04 **Direct Rollovers** - If any benefit payable under this Contract constitutes an "eligible rollover distribution" within the meaning of Section 402 of the Code, the Participant has the right to elect to have such distribution paid directly to an "eligible retirement plan" in a transaction designated under the Code as a "direct rollover." Before any eligible rollover distribution is made to the Participant, we will provide the Participant with a written explanation of the Participant's right to make a direct rollover and the tax consequences of making or not making a direct rollover. No surrender, withdrawal, or other benefit distribution that constitutes an eligible rollover distribution will be made to the Participant under this Contract, unless the Code's requirements applicable to eligible rollover distributions have been satisfied. Except for eligible rollover distributions, We reserve the right to make payments only to the Participant or the Participant's Beneficiary.

5.05 **Plan Provisions** - The Plan, including certain Plan provisions required by the Employee Retirement Income Security Act of 1974 (ERISA) or other

applicable law, may limit the Participant's rights under this Contract. The Plan provisions may:

- (a) Limit the Participant's right to make Purchase Payments;
- (b) Restrict the time when the Participant may elect to receive payments under this Contract;
- (c) Require the consent of the Participant's spouse before the Participant may elect to receive payments under this Contract;
- (d) Require that all distributions be made in the form of a joint and survivor annuity for the Participant and the Participant's spouse, unless both consent to a different form of distribution;
- (e) Require that the Participant's spouse be designated as Beneficiary;
- (f) Require that the Participant remain employed with the Contract Owner for a specified period of time before the Participant's rights under the Contract become fully vested; or
- (g) Otherwise restrict the Participant's exercise of rights under the Contract or give the Contract Owner (or a Plan representative) the right to exercise certain rights on the Participant's behalf.

No such Plan provision shall limit a Participant's rights under this Contract, unless the Contract Owner has provided VALIC with written notification of such provision. In no event shall any such Plan provision enlarge VALIC's obligations under this Contract.

5.06 **Nonqualified Deferred Compensation Plans** - If the Contract has been issued for a nonqualified and unfunded deferred compensation plan, the Contract Owner possesses all rights under the Contract. No Participant or Beneficiary will have any enforceable right to make elections under this Contract or to receive benefits from VALIC. The Contract Owner may direct that all benefit payments be made to the Contract Owner, or the Contract Owner may authorize VALIC to make benefit payments directly to Participants and Beneficiaries as the Contract Owner's payment agent under the Plan. The Contract Owner may also authorize VALIC to follow Participant requests with regard to the allocation of Purchase Payments among Investment Options, transfers among Investment Options, and other elective rights provided by this Contract. If the Contract Owner authorizes VALIC to act as payment agent under the Plan or to follow Participant requests, the Contract Owner may revoke or modify that authorization at any time without prior notice to Participants.

Notwithstanding any provision of the preceding paragraph to the contrary, if this Contract is issued for or held under an eligible deferred compensation plan of a governmental employer, which meets or is required to meet the requirements of Code Section 457(g)(1) by placing the assets of the plan in a qualifying trust, custodial account, or annuity contract, this Contract shall be held for the exclusive benefit of Participants and their Beneficiaries. The provisions and limitations of Section 2.03, 5.05 and 6.02 shall apply to this Contract and to the interests of any Participant or Beneficiary therein, to the fullest extent necessary to comply with the requirements of the Code and the Plan. We will rely upon the Contract Owner's instructions as being consistent with the Plan unless We have actual notice to the contrary. For the purpose of Section 6.01, such a plan shall not be treated as an "unfunded deferred compensation plan."

## Section 6 - GENERAL PROVISIONS

- 6.01 **Participant Certificates** - We will issue certificates to each Participant unless this Contract is issued with respect to a nonqualified and unfunded deferred compensation plan. Each certificate will set forth the benefits to which the Participant is entitled under the Contract. Certificates are not a part of this Contract.
- 6.02 **Assignment** - This Contract cannot be sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights under this Contract are not subject to any creditor claims to the fullest extent permitted by law. This Contract and its rights cannot be transferred to anyone other than Us, except as provided under the Plan or under a domestic relations order properly issued by a court of competent jurisdiction and that complies with ERISA, if applicable. To the extent permitted by the Code and applicable law, We will make a Cash Surrender or Withdrawal payable to a third party upon the Participant's request.
- 6.03 **Vesting** - Except as may be provided in the Plan, the Participant's rights under this Contract are fully vested and nonforfeitable. Separate Account A holds all assets for Variable Investment Options for the exclusive benefit of Participants, Beneficiaries, and other holders of annuity contracts.
- 6.04 **Written Notices to Us** - Except as specifically provided otherwise, any Notice of change, election, choice, option or other exercise of right given under the Contract must be in writing on a form provided by Us, or on a form and in a manner acceptable to Us. Such Notice will be effective when it is received in Our Home Office.
- 6.05 **Change of Contract** - We may change this Contract to the extent it is required or deemed advisable to do so in order to conform the Contract to applicable law. In addition, upon at least 30 days written notice to the Contract Owner, we may make other changes to this Contract that will apply only to individuals who become Participants after the effective date of such change. All changes We make will be subject to any applicable regulatory requirements.
- 6.06 **Future Participants** - We may at our discretion curtail or prohibit new Participants under this Contract upon written notice to the Contract Owner.
- 6.07 **Reports** - We will send the Participant a Separate Account financial report twice each year if the Participant has values in any Variable Investment Option. We will send to the Participant, at least annually, a statement showing the dollar value of all investment options, investment performance since the prior statement, and as applicable, the number and value of any Variable Accumulation Units credited to the Participant's Account. All statements will be mailed within two months of the date of the information.
- 6.08 **Voting Rights** - We will hold the voting rights on all shares held in the Separate Account. To the extent of this Contract's participation in the Separate Account through one or more Variable Investment Options, We will vote those shares as instructed. The Participant, or the Beneficiary, if the Participant has died, will have the voting instruction rights prior to the Annuity Date. The annuity payee will have the voting instruction rights on and after the Annuity Date.
- 6.09 **Suspension of Payments** - VALIC reserves the right to suspend payments under the Separate Account for any period when: (a) the New York Stock Exchange is closed (other than customary weekend and holiday closings); (b) when trading on the Exchange is restricted; (c) when an emergency prevents disposal of securities held in the Separate Account or it is not reasonably practicable to determine the value of the Separate Account's net assets; or (d) during any other period when the Securities and Exchange Commission, by order, so permits for the protection of security holders.
- 6.10 **Deferral of Cash Surrender or Withdrawal** - VALIC may defer payment of any surrender of amounts accumulated in Fixed Interest Options. Deferral shall not exceed six months from the receipt of written notice at the Home Office. Interest shall be paid if payment is deferred for thirty days or more at a rate as determined by VALIC.

- 6.11 **Proof of Survival** - We reserve the right to require satisfactory proof that the Participant and any payee is alive on the date any benefit payment is due. If this proof is not received after requested in writing, VALIC will have the right to make reduced payments or to withhold payments entirely until such proof is received.
- 6.12 **Substitution of Investment Fund Shares** - If shares of a particular Investment Fund are not available or if, in the judgment of VALIC, such shares are no longer appropriate for a Variable Investment Option, shares of another Investment Fund may be substituted for the Investment Fund shares already held under the Variable Investment Option and for those to be purchased by future Purchase Payments or transfers under this Contract. In the event any substitution occurs, VALIC will notify the Contract Owner within five days.
- 6.13 **Minimum Benefit** - The paid up annuity, cash surrender or death payment available under this Contract will not be less than the minimum benefits required by any statute of the state in which the Contract is delivered.
- 6.14 **Separate Account** - That portion of the assets of the Separate Account equal to the reserves and other contract liabilities with respect to the Separate Account shall not be chargeable with liabilities arising out of any other business We may conduct. Income, gains and losses, whether or not realized, from assets allocable to the Separate Account are credited to or charged against such account without regard to Our other income, gains or losses.



**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
(the "Company")  
**2929 Allen Parkway**  
**Houston, Texas 77019**

**AMENDATORY ENDORSEMENT**

This Endorsement is made a part of the group annuity contract ("Contract") to which it is attached. This Endorsement shall supersede certain provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement. All capitalized terms not otherwise defined in this Endorsement shall have the same meaning as ascribed in the Contract. This Endorsement amends the Contract as follows:

1. **Guaranteed Minimum Interest Rate.** This Endorsement changes both the guaranteed minimum interest rate that will be credited to amounts in the fixed interest options and the guaranteed minimum interest rate that will be used to determine fixed annuity payments during the Annuity Period as follows:
  - (i) The guaranteed minimum interest rate that will be credited to amounts in the fixed interest options for a Participant Account during the Accumulation Period will be shown in the group annuity certificate or applicable endorsement for that Participant Account. In compliance with applicable state nonforfeiture law, the guaranteed minimum interest rate will be at least equal to the lesser of 3.0% per annum or the following:
    - a. The one-month average value of the five-year Constant Maturity Treasury Rate reported by the Federal Reserve, rounded to the nearest 1/20<sup>th</sup> of 1.0%, for the second month preceding the first day of the calendar quarter during which the certificate for a Participant Account is issued, reduced by 1.25%, and where the resulting interest rate is not less than 1.0%.
  - (ii) The guaranteed minimum interest rate that will be used to determine minimum fixed annuity payments during the Annuity Period is 1.5% per year.
2. **Deferral of Payments.** In accordance with state law, We may defer payments up to six months after receiving a request for a full and immediate surrender of the Contract that would otherwise be permitted there under, including amounts accumulated in the fixed interest options, provided however that exercise of such authority shall be subject to written approval by the insurance commissioner of the state where this Contract is issued. If We defer payment pursuant to this Section 2, interest will accrue until the payment is made.

All other terms and conditions of the Contract (as modified by any other endorsement issued therewith) remain unchanged. The provisions of this Endorsement shall be effective on the Contract date of issue.

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**



Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
**2929 Allen Parkway**  
**Houston, Texas 77019**

**DEATH BENEFIT ENDORSEMENT**

This Endorsement is made a part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). This Endorsement shall supersede any inconsistent provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement.

The following additional provisions shall apply to any death benefit prior to the Annuity Period that is determined under Section 4 of the Contract. The term "You" as used in this Endorsement means the person who is the measuring life for the death benefit, which may be the Contract Owner, Participant or Annuitant depending on the term specified in the Contract to which this Endorsement is attached.

If the total amount of any death benefit payable from the Fixed Interest Options and Variable Investment Options of the Contract exceeds the Accumulation Value as of the date we receive proof of death, such total death benefit shall not exceed an Adjusted Purchase Payment Amount, determined as follows:

- a) On the Contract Date the Adjusted Purchase Payment Amount shall be the sum of all Purchase Payments under the Contract. On any date after the Contract Date the Adjusted Purchase Payment Amount shall be increased by additional Purchase Payments made to the Contract, and reduced proportionately by all prior Gross Withdrawals in the manner described in (c) below.
- b) Gross Withdrawals shall include all withdrawals and associated fees and charges as well as any portion of the Accumulation Value that has been applied for an Annuity Income Option.
- c) Each Gross Withdrawal shall result in a proportionate reduction in the Adjusted Purchase Payment Amount, determined by multiplying the Adjusted Purchase Payment Amount, measured immediately prior to the Gross Withdrawal, by a fraction. Such fraction shall be equal to the Gross Withdrawal divided by the Accumulation Value immediately prior to the Gross Withdrawal.

All other terms and conditions of the Contract (as modified by any other endorsement issued therewith) remain unchanged. Signed for the Company to be effective on the Date of Issue.

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

  
\_\_\_\_\_  
Julie Cotton Hearne  
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY  
2929 Allen Parkway  
Houston, Texas 77019

NON-ERISA LOAN ENDORSEMENT

**I. APPLICABILITY**

This Endorsement applies only to loans granted or renewed after delivery of this Endorsement under VALIC annuity Contracts or Certificates sold under retirement plans not covered by the Employee Retirement Income Security Act of 1974, as amended (ERISA). This Endorsement is made a part of the Contract or Certificate to which it is attached and will not change any other provisions of the Contract or Certificate.

**II. DEFINITIONS**

**Adjusted Surrender Charge** – the Reserved Surrender Charge, reduced pro rata by Loan Balance repayments.

**Defaulted Loan Amount** – the Loan Balance, plus the interest on any delinquent quarterly payments.

**Employer** – the employer who sponsors the Plan under which the Contract or Certificate is maintained.

**Foreclosure Amount** – the Defaulted Loan Amount, plus Adjusted Surrender Charge.

**Loan Balance** – the principal loan balance outstanding at any given time.

**Loan Year** – a one-year period beginning on the effective date of the loan and subsequent anniversaries.

**Participant** – the individual to whom a loan is made.

**Plan** – the employer-sponsored retirement plan or annuity purchase arrangement under which the Contract or Certificate was issued.

**Qualified Plan** – as used herein, employer-sponsored plans intended to meet the requirements of sections 401(a), 403(a), 403(b), or 457(b) of the Internal Revenue Code of 1986, as amended.

**Reserved Surrender Charge** – the Contract surrender charge that would apply as if the Loan

Balance had been surrendered at the start of the loan term.

**Security Reserve** – the portion of cash value held in reserve as security for the loan, made up of the Loan Balance, the loan interest due with a quarterly loan payment, the Reserved Surrender Charge, if applicable, and all interest credited to the foregoing amounts.

**III. AMOUNT OF LOAN**

The availability and amount of a loan are subject to any applicable restrictions in the Plan and federal tax law. Both fixed and variable investment options, if applicable, of the contract value will be considered for purposes of determining the amount that qualifies for a loan. However, only the nonforfeitable portion of a fixed investment option may be used as security for a loan. Such portion must equal or exceed the initial Security Reserve.

A loan, when added to the Participant's existing indebtedness under the Plan or any other Qualified Plan sponsored by the Employer, cannot exceed the lesser of \$50,000 or 50% of the present value of the Participant's nonforfeitable accrued benefit under all such plans of the Employer. However, the \$50,000 limit may be reduced by the excess, if any, of (a) the highest outstanding balance of loans from such plans during the one-year period ending on the day before the date on which the loan is made, over (b) the outstanding balance of loans from the plans on the date on which such loan was made. The 50% limit described above does not apply when the loan amount requested is \$10,000 or less.

VALIC may from time to time establish minimum loan amounts and limits on the number of loans permitted to be outstanding at any given time. VALIC also reserves the right to assess at the time of loan application a loan processing fee of up to \$75.

#### **IV. TERMS OF LOAN**

VALIC may make loans to the Participant at any time before annuity payments begin. Loan interest will be charged at an annual effective rate of up to 3% above the minimum interest rate guaranteed in the Contract or Certificate. The loan, plus interest, will be repaid in equal amortized quarterly payments due on the last day of each quarter of each Loan Year.

The loan must be repaid within ten years if used to buy the Participant's principal residence. It must be repaid within five years if used for any other purpose. The loan may be repaid in full or in part before the Contract or Certificate is surrendered or annuity payments begin.

#### **V. SECURITY FOR LOAN**

The Security Reserve as defined above provides the security for the loan. No withdrawals or transfers from the Security Reserve may be made until the loan is fully repaid or foreclosed upon.

#### **VI. EFFECTS OF LOAN BENEFITS**

Until the loan is defaulted or repaid, the portion of the Security Reserve in the amount of the Loan Balance and accumulated loan interest thereon will earn the Contract's or Certificate's minimum guaranteed annual effective interest rate. An interest rate, as declared by VALIC's Board of Directors, will be credited on the portion of the Security Reserve in excess of the Loan Balance and loan interest thereon. This rate will not be less than the Contract's or Certificate's minimum guaranteed annual effective interest rate.

Upon annuitization, surrender or death, the annuity value, cash value or death benefit, as applicable, will be reduced by the Foreclosure Amount.

#### **VII. LOAN DEFAULT**

If a loan payment is not made within 30 days after the due date, the loan is in default and the Defaulted Loan Amount will become due and payable to VALIC. The Defaulted Loan Amount will be treated as a distribution under federal tax law and will be reported on an applicable tax reporting form. (Caution: Such a distribution before age 59½ may result in a tax penalty.) After default, the portion of the Security Reserve in an amount equal to the Loan Balance and loan interest will continue to earn interest at an annual effective rate equal to the minimum guaranteed interest rate under the Contract or Certificate until the loan is repaid or VALIC is permitted to foreclose on its Security Reserve to the extent of the Foreclosure Amount.

#### **VIII. LOAN FORECLOSURE**

If the loan is not repaid, the Foreclosure Amount will be deducted from the Security Reserve and paid to VALIC. If any portion of the Security Reserve may not be withdrawn because of tax or Plan restrictions, foreclosure on the Security Reserve will not occur until such restrictions no longer apply. The Adjusted Surrender Charge, if applicable, will be calculated at foreclosure. Any Security Reserve in excess of the Foreclosure Amount will remain credited to the Contract or Certificate.

#### **THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**



Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
**Houston, Texas**

**MARKET VALUE ADJUSTMENT OPTION ENDORSEMENT**

The contract or certificate (hereinafter referred to collectively as "Contract") to which this Endorsement is attached is amended to add a market value adjusted option ("MVA Option") to the option or options otherwise available under the Contract during the Contract's accumulation period.

1. **Effective Date.** The effective date of this Endorsement is the date of issue of the Contract unless another date is shown below.
2. **Minimum Benefits.** The paid up annuity, cash surrender or death payment available under the Contract, including this MVA Option, will not be less than the minimum benefits required by any statute of the state in which the Contract is delivered.
3. **Definitions.** The following definitions will govern the interpretation of this Endorsement:

**MVA Band:** A single MVA allocation that will be credited with the stated MVA Interest Rate for the identified MVA Term.

**MVA Interest Rate:** The effective annual interest rate credited during the applicable MVA Term. The MVA Interest Rate will be declared in advance of the applicable MVA Term. Interest is credited to Your MVA Option daily. All interest rates quoted are effective annual rates. This is the yield that results after interest has compounded daily for a full year.

We set interest rates according to the following guidelines:

- We guarantee your MVA Option will earn at least the minimum interest rate applicable to fixed interest options in the Contract, regardless of future economic conditions.
- An amount allocated to the MVA Band will earn interest at the applicable MVA Interest Rate for the MVA Term. For subsequent MVA Terms, we will declare the MVA Interest Rate before the beginning of each MVA Term.

**MVA Term:** The period of time for which the MVA Interest Rate is guaranteed and during which a market value adjustment will be applied to any withdrawals. You may select from two or more MVA Terms at any time for an amount that is not less than the minimum amount described in this Endorsement. This amount may include new premium to the Contract and/or amounts transferred from one or more other options available under the Contract. Any transfer from another Contract option will be subject to any limitations imposed under the Contract. However, We may, from time to time, waive any such restrictions in a manner that is not unfairly discriminatory to any person. You may not elect an MVA Term that extends beyond a scheduled annuity commencement involving part or all of the amounts to be held under the MVA Band.

**MVA Annuity Value:** The amount available to be applied to an annuity option offered under the Contract, equal to:

- The amounts allocated to this MVA Option, for any and all MVA Bands;
- Plus all interest earned under this MVA Option;
- Minus any deductions otherwise applied under the Contract;
- Minus any previous withdrawals from any and all MVA Bands and related early withdrawal charges under the Contract.

**MVA Withdrawal Value:** The amount You will receive under this MVA Option, upon full withdrawal, after the market value adjustment has been applied and after any applicable early withdrawal charges have been deducted, equal to:

- The MVA Annuity Value;
- Plus or minus the Market Value Adjustment (see paragraph 7 of this Endorsement);
- Minus any early withdrawal charge applicable under the Contract;

**We, or Us:** Refers to The Variable Annuity Life Insurance Company, the issuer of the Contract and this Endorsement.

**You or Your:** Refers to the person, including any corporation, trustee, or other non-natural person, that is authorized to direct the allocation of amounts held under the Contract.

4. **Your Rights under this Endorsement.** You will have all rights described in the Contract under this MVA Option, subject to the rules and limitations described in the Contract or in this Endorsement.
5. **Allocations to MVA Option.** You may allocate or reallocate amounts under the Contract to the MVA Option, for one or more MVA Bands with the same or different MVA Terms, subject to any requirements and limitations described in this Endorsement or in the Contract. Except as otherwise provided in this Endorsement, once funds have been allocated to an MVA Band, no additional premium or transfers may be made to that MVA Band. Multiple transfers or deposits to the MVA Option for a single MVA Band may be permitted if We receive them on the same day. The minimum amount to establish each MVA Band is determined by Us but will never be more than \$25,000.
6. **Date of Withdrawal.** For purposes of determining the market value adjustment, all withdrawals will be deemed to have occurred on the date that We receive the withdrawal request, unless You specify a later date in the request.
7. **Market Value Adjustment.** Except as otherwise provided in this Endorsement, any withdrawal from an MVA Band, including transfers from the MVA Band to other available options in the Contract (including a different MVA Band), will be subject to the application of a Market Value Adjustment, except during the 30 days following the end of an MVA Term applicable to that MVA Band.

The effect of the market value adjustment may be positive or negative. If, on the date of a withdrawal, the index rate described below (plus 0.25%) is higher than that index rate as of the contract's date of issue, the effect of the market value adjustment will be negative. If, on the date of a withdrawal, the index rate (plus 0.25%) is lower than that index rate as of the contract's date of issue, the effect of the market value adjustment will be positive. Any negative adjustment will be waived to the extent that it would decrease the withdrawal value below the minimum guaranteed value described in the definition of MVA Interest Rate.

The market value adjustment is determined by the formula below, using the following factors:

- A is an index rate determined at the beginning of each MVA Term, for a security with time to maturity equal to that MVA Term;
- B is an index rate determined at the time of withdrawal, for a security with time to maturity equal to the current MVA Term;
- N is the number of months remaining in the current MVA Term (rounded up to the next higher number of months); and,
- The index rates for A and B will be the U.S. Treasury Yield as quoted by Bloomberg or a comparable financial market news service, for the maturity equal to the MVA term, using linear interpolation as appropriate.

The market value adjustment will equal:

The Amount surrendered or transferred out prior to the end of the MVA Term multiplied by:

$$[(1 + A) / (1 + B + 0.0025)]^{(N/12)} - 1$$

The market value adjustment will be added to or deducted from the amount being withdrawn or transferred.

Index rates for any calendar month will equal the average of index rates for the last 5 trading days of the previous calendar month.

8. **Early Withdrawal Charge.** In addition to any positive or negative market value adjustment, any early withdrawal charge which would otherwise apply under the Contract will be deducted from any amount withdrawn (after the application of the market value adjustment) which exceeds the amount of any permitted free withdrawals as described in the Contract.
9. **Partial Withdrawals.** You may withdraw a portion of the MVA Annuity Value any time after the Effective Date of this Endorsement for withdrawal from the Contract or for transfer to another option under the Contract, which could include another MVA Band. Withdrawal requests must be for a minimum determined by Us but not more than \$500. Your withdrawal, plus or minus the market value adjustment, plus any early withdrawal charge, will be deducted from your MVA Annuity Value. To the extent that a partial withdrawal request would cause the value of an MVA Band to be less than an amount determined by Us but not more than \$2,000, that portion of the request will be denied unless you agree to

withdraw all amounts from the MVA Option, either for withdrawal from the Contract, where permitted, or for transfer to another Contract investment option that You select.

10. **Annuitization.** If You elect to apply some or all of the MVA Annuity Value under Your Contract to an annuity option, that amount will be applied to a fixed annuity option under the Contract, without application of the Market Value Adjustment.
11. **Subsequent MVA Terms.** At the end of any MVA Term, a subsequent MVA Term will begin for the MVA Band. Each subsequent MVA Term for the MVA Band will be of the same duration as the previous MVA Term, unless You notify Us in writing before the end of the then-current MVA Term that you are selecting an MVA Term of a different duration. You may not elect an MVA Term that extends beyond a scheduled annuity commencement involving part or all of the amounts to be held under the MVA Band. The MVA Interest Rate credited during a subsequent MVA Term will be the rate in effect on the date that subsequent MVA Term begins. You may take a full or partial withdrawal of the affected amount without a market value adjustment within 30 days following the end of an MVA Term (i.e., during the first 30 days of a subsequent MVA Term).
12. **Loans, Automatic Allocations, Automatic Withdrawals and Other Automatic Transactions Affecting Contract Options.** Loans are not available from the MVA Option. However, if the Contract contains a loan feature, the MVA Annuity Value will be considered when determining the amount of any loan available from options other than the MVA Option. Automatic allocations to the MVA Option, or automatic withdrawals from or transactions involving the MVA Option, will not be processed without Your direction and Our consent.
13. **Withdrawals From Multiple MVA Bands.** In the event that you have allocated amounts to multiple MVA Bands, We reserve the right to establish uniform ordering rules with respect to partial withdrawals from the MVA Option, subject to any requirements or limitations under the laws of the state in which the Contract is issued.
14. **Distributions required by Law, or Upon Your Death.** We reserve the right to waive any otherwise applicable Market Value Adjustment in the event that a distribution is required by the Contract, by the plan under which the Contract is issued, or under the Internal Revenue Code. The Market Value Adjustment will not apply to a distribution following your death, or if You are not a natural person, upon the death of the annuitant designated under the Contract.



\_\_\_\_\_  
Julie Cotton Hearne  
Secretary



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Kevin T. Hogan  
President

Endorsement Effective Date: 11/13/2007

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

(the “Company”)  
2929 Allen Parkway  
Houston, Texas 77019

**QUALIFIED ACCOUNT CONTRACT ENDORSEMENT**

This Endorsement is made part of the individual annuity contract or group annuity contract or certificate to which it is attached (the “Contract”). The Contract is issued in connection with employer-sponsored retirement plans described under Internal Revenue Code Sections 401, 403, and 457. The specific type of plan is identified on the annuity application. In the case of any conflict between the terms of the Contract and the terms of this Endorsement, the terms of this Endorsement will control.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term “Applicable Law” means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and the laws of the state in which the Contract was issued.

1. **Owner and Annuitant.** The Owner may be the Participant or the employer (“Employer”) sponsoring the plan described in Section 401, 403 or 457 of the Code (“Plan”) or, subject to approval by the Company, such other person as the Employer may designate, provided that the Employer’s designation must be consistent with the requirements of the Code. The Annuitant shall be the Participant for whom a Participant account under the Contract is established.
2. **Effect of Plan.** Rights under the Contract shall be exercised by the Participant or a Beneficiary (upon the death of the Participant), except to the extent that the Plan otherwise provides, and the exercise of rights under the Contract by the Owner, the Participant, or a Beneficiary, shall be subject to any limitations set forth in the Plan and the Code. However, neither the Plan nor the Code may enlarge the rights otherwise applicable under the Contract. The Owner shall be responsible for determining that any directions given to the Company with respect to transactions under the Contract are consistent with the Plan and the Code. The Company will rely on the Owner’s instructions as being consistent with the Plan unless the Company has actual notice to the contrary. In the case of a group Contract, if the Contract offers more than one investment alternative, the Employer may direct the Company to accept investment allocation and reallocation instructions from the Participant, and if applicable, from a Beneficiary.

The Plan, including certain Plan provisions required by ERISA or other Applicable Law, may limit the Participant’s rights under this Contract. The Plan provisions may:

- a. Limit the Participant’s right to make Purchase Payments;
- b. Restrict the time when the Participant may elect to receive payments under this Contract;
- c. Require the consent of the Participant’s spouse before the Participant may elect to receive payments under this Contract;
- d. Require that all distributions be made in the form of a joint and survivor annuity for the Participant and the Participant’s spouse, unless both consent to a different form of distribution;

- e. Require that the Participant's spouse be designated as Beneficiary;
- f. Require that the Participant remain employed with the Contract Owner for a specified period of time before the Participant's rights under the Contract become fully vested;
- g. Otherwise restrict the Participant's exercise of rights under the Contract or give the Contract Owner (or a Plan representative) the right to exercise certain rights on the Participant's behalf.

No such plan provision shall limit a Participant's rights under this Contract, unless the Contract Owner has provided Company with written notification of such provision. In no event shall any such Plan provision enlarge Company's obligations under this Contract.

### **3. Nontransferability and Nonforfeitability**

A Participant's beneficial interest in the Contract may not be transferred, sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights of Participants under this Contract are not subject to any creditor claims to the fullest extent permitted by law. A Participant's beneficial interest in the Contract shall be non-forfeitable except to the extent of any vesting schedule which is provided in the Plan and which is consistent with Applicable Law. The limitations of this paragraph will not prohibit a loan to the Participant that would be permitted under applicable provisions of the Code and ERISA.

### **4. Salary Reduction Purchase Payments**

If the Participant's Purchase Payments are made under a voluntary salary reduction agreement as part of a Tax-Deferred Annuity arrangement under Section 403(b) of the Code, (i) there may not be a separate Plan document, in which case the Contract along with related endorsements is the Plan, and (ii) in either case the following restrictions apply:

- a. **Limit on Purchase Payments.** Contributions (not including transfers and rollovers) may be made to the Participant Account or Contract up to the applicable limits set forth in the Code and the Plan. Except as otherwise provided herein, elective deferrals by the Participant to the Participant Account or Contract may not exceed the limits set forth in Section 402(g).

Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Participant Account or Contract have exceeded the limits imposed under the Contract.

- b. **Withdrawal Restrictions.** In addition to any other surrender, benefit, withdrawal or transfer restrictions in the Contract, distributions to Participants will be subject to the limitations applicable under Code Section 403(b). To the extent required under Code Section 403(b)(11), distributions to a Participant of elective deferrals and earnings thereon may be made only upon or after the Participant's attainment of age 59 1/2, severance of employment, death, or disability. Distributions of such elective deferrals, and any earnings on such deferrals in an annuity contract as of December 31, 1988, may also be made in the event of financial hardship. The same or similar restrictions shall apply to all amounts transferred from a Code Section 403(b)(7) custodial account,

including contributions other than elective deferrals and earnings on such contributions. Except as otherwise required under the Contract or the sponsoring employer's Plan (if any), the foregoing restrictions on distributions shall not prevent a transfer to another investment option within the Plan or another contract or account described in Code Section 403(b). Notwithstanding the foregoing, no distribution or transfer from the Participant account or Contract will be permitted if it would have the effect, directly or indirectly, of avoiding or circumventing a transfer or similar restriction applicable under the Contract.

## **5. Excess Contributions**

Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

## **6. Cessation of Contributions**

The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.

## **7. Direct Rollover**

- a. Subject to the limitations in Section 10 of this Endorsement, a distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an "Eligible Rollover Distribution", may be transferred in a qualifying rollover directly to any "Eligible Retirement Plan" within the meaning of Section 402 of the Code. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal Beneficiary. Before any Eligible Rollover Distribution is made to the Participant, Company will provide the Participant with a written explanation of the Participant's right to make a direct rollover. No surrender, withdrawal, or other benefit distribution that constitutes an Eligible Rollover Distribution will be made to the Participant under the Contract, unless the Code's requirements applicable to Eligible Rollover Distributions have been satisfied. Except for Eligible Rollover Distributions, Company reserves the right to make payments only to the Participant or the Participant's Beneficiary.
- b. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
- c. This Contract will accept Eligible Rollover Distributions from other plans, provided however, that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.

## **8. Required Distributions.**

Unless an exception otherwise applies under Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with the requirements of Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this Contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract. Any Beneficiary of a Participant who is entitled to an amount under the Contract upon the death of the Participant will be permitted to elect any distribution option that is permitted under the Code and that is otherwise available under the Contract and the Plan, with respect to such amount.

## **9. Nonqualified Deferred Compensation Plan.**

- a. Unfunded Deferred Compensation Plan. If the Contract has been issued under a nonqualified and unfunded deferred compensation plan, the Contract Owner possesses all rights under the Contract. No Participant or Beneficiary will have any enforceable right to make elections under this contract or to receive benefits from the Company. The Owner may direct that all benefit payments be made to the Owner, or the Owner may authorize Company to make benefit payments directly to Participants and Beneficiaries as the Owner's payment agent under the Plan. The Owner may also authorize the Company to follow Participant requests with regard to the allocation of Purchase Payments among Investment Options, transfers among Investment Options, and other elective rights provided by the Contract. If the Owner authorizes the Company to act as payment agent under the Plan or to follow Participant requests, the Owner may revoke or modify that authorization at any time without prior notice to Participants.
- b. Governmental Plan. Notwithstanding paragraph a. of this section 9, if this Contract is issued for or held under an eligible deferred compensation plan of a governmental employer, which meets or is required to meet the requirements of Code section 457(g)(1) by placing the assets of the plan in a qualified trust, custodial account, or annuity contract, this Contract shall be held for the exclusive benefit of Participants and their Beneficiaries. The provisions and limitations in this endorsement shall apply to the Contract and the interests of any Participant or Beneficiary therein, to the fullest extent necessary to comply with the requirements of the Code and the Plan. Such plan shall not be treated as an "unfunded deferred compensation plan."

## **10. Roth Accounts**

- a. Purchase Payments. Purchase payments made under a voluntary salary deduction agreement designating the purchase payments as Roth 403(b) or 401(k) contributions under Section 402(A) of the Code shall be treated as elective deferrals made under a salary reduction agreement for purposes of the Contract and any endorsements thereunder.
- b. Forfeitures. Except as otherwise permitted under Internal Revenue Service regulations, if this Contract is issued for or held as a Roth Account meeting the requirements of Section 402(A) of the Code, it may not accept allocation of forfeitures under the Plan.

c. **Rollovers.** If this Contract is issued for or held as a Roth Account meeting the requirements of Code Section 403(A), it may be transferred in a direct rollover only to another designated Roth account that accepts such rollovers or to a Roth Individual Retirement Account or Annuity, subject to any limitations imposed by the Code or Regulations on such rollovers.

## **11. Vesting**

Except as may be provided in the Plan and in conformity with Applicable Law, the Participant's rights under this Contract are fully vested and nonforfeitable.

## **12. Sunset Provisions**

In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of the Contract Date of Issue.

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**



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Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

(the "Company")  
2929 Allen Parkway  
Houston, Texas 77019

**ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT  
("EGTRRA")  
RETIREMENT PLAN ANNUITY CONTRACT ENDORSEMENT**

This Endorsement is made a part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with certain employer-sponsored retirement plans or arrangements, which may be described under any of the following Code Sections: 401(a) (including 401(k)); 403(a); 403(b); 457(b) (the "Plan"). The Plan may limit the exercise by the Participant or a Beneficiary of rights under the Contract, including any endorsements thereto, and may limit the rights described in this Endorsement.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

This Endorsement shall supersede any inconsistent provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement.

**1. Contribution Limitations**

- a. Contributions (not including transfers and rollovers) may be made to this Contract up to the applicable limits set forth in the Code and the Plan. If the Contract is issued under a Plan to which Code Section 402(g) applies, including Contracts issued under a 403(b) plan or arrangement, except as otherwise provided herein elective deferrals by the Participant to this Contract may not exceed the limit under Section 402(g).
- b. Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Contract have exceeded the limits imposed under the Contract.
- c. The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.
- d. Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

**2. Distribution Eligibility and Portability**

- a. A Plan Participant may receive a distribution from this Contract following severance of employment with the employer sponsoring the Plan.

- b. A distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an Eligible Rollover Distribution, may be transferred in a qualifying rollover to any Eligible Retirement Plan. For purposes of this paragraph, "Eligible Rollover Distribution" and "Eligible Retirement Plan" shall have the meaning given to them in the Code, as applicable to the type of plan under which the Contract is issued and/or maintained at the time of the distribution. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal beneficiary.
  - c. A Participant or Beneficiary may request a non-reportable plan-to-plan transfer of a portion of the Contract value to another plan or contract, subject to any applicable limitations in the Plan, the Contract, and Applicable Law.
  - d. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
  - e. This Contract will accept Eligible Rollover Distributions from other plans, provided however that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.
3. Required Distributions. Except as otherwise required by Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract.
4. In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of January 1, 2002, or the Contract Date of Issue, whichever is later.

**THE VARIABLE ANNUITY LIFE INSURANCE  
COMPANY**

  
 Julie Cotton Hearne  
 Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**  
Houston, Texas

**ENDORSEMENT**

This Endorsement is made a part of the Contract or Certificate to which it is attached.

The amount of the Separate Account Charge depends on the Variable Investment Option from which it is deducted, and is imposed at an annual rate of up to 1.25% of the assets of the Variable Investment Option.

If there is any conflict between the provisions of this Endorsement and the Contract or Certificate, the Endorsement's provision will apply.

The effective date of this Endorsement is the Date of Issue.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

  
\_\_\_\_\_  
Julie Cotton Hearne  
Secretary

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY (VALIC)**  
Houston, Texas

**Portfolio Director Endorsement**

Not withstanding any language in the Contract to the contrary, the Contract is amended as follows:

Annuity Rate Tables. The value We use to determine annuity payments will be the applied portion of the Accumulation Value on the tenth day (or the preceding business day if the tenth day is not a business day) preceding the date of the first annuity payment, less any applicable premium taxes. The following tables are based on the Annuity 2000 mortality table and assume births before the year 1936. The tables show the amount required to purchase a first monthly payment of \$1.00. Quarterly, semiannual, and annual payments may also be selected. The amount of each payment will depend upon the Annuitant's adjusted age at the time the first payment is due. Adjusted age will be determined in accordance with the following:

<u>Calendar Year of Birth</u>	<u>Adjusted Age is Actual Age Minus</u>
Before 1936	0
1936 - 1955	1
1956 - 1975	2
1976 - 1995	3
After 1995	4

Actual age, as used above, means the Annuitant's age at the birthday nearest to the Annuity Date. Table A is the Table to use for Variable Annuities with a 3% AIR and to determine the minimum guarantees for Fixed Annuities. Tables B, C, and D are to be used for Variable Annuities with 3 1/2%, 4 1/2% and 5% AIRs respectively.

**TABLE A**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$257.21	\$257.49	\$258.42	\$260.10	\$262.72	\$264.65
51	253.23	253.54	254.54	256.38	259.24	261.14
52	249.16	249.50	250.60	252.59	255.72	257.58
53	245.02	245.39	246.58	248.76	252.17	253.96
54	240.80	241.20	242.49	244.87	248.60	250.29
55	236.49	236.92	238.34	240.92	245.02	246.55
56	232.10	232.57	234.11	236.94	241.42	242.77
57	227.62	228.14	229.81	232.91	237.82	238.93
58	223.06	223.62	225.45	228.84	234.24	235.03
59	218.41	219.02	221.02	224.74	230.67	231.09
60	213.68	214.34	216.54	220.62	227.13	227.09
61	208.86	209.59	212.00	216.49	223.65	223.04
62	203.96	204.76	207.41	212.35	220.22	218.94
63	198.99	199.87	202.78	208.22	216.87	214.78
64	193.94	194.91	198.12	204.11	213.61	210.55
65	188.83	189.90	193.43	200.04	210.45	206.27
66	183.66	184.83	188.73	196.02	207.43	201.90
67	178.43	179.72	184.03	192.06	204.54	197.46
68	173.14	174.57	179.33	188.19	201.81	193.09
69	167.81	169.39	174.66	184.41	199.25	188.62
70	162.43	164.18	170.02	180.76	196.87	184.06
71	157.02	158.96	165.43	177.23	194.68	179.66
72	151.58	153.74	160.90	173.86	192.70	175.11
73	146.12	148.53	156.47	170.67	190.91	170.46
74	140.67	143.36	152.14	167.66	189.33	166.11
75	135.23	138.22	147.93	164.86	187.94	161.50

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$285.89	\$287.65	\$289.46	\$291.31	\$293.21	\$295.15	\$297.13	\$299.14	\$301.17	\$303.22	\$305.28
51	282.39	284.19	286.05	287.95	289.90	291.90	293.93	295.99	298.07	300.18	302.31
52	278.79	280.64	282.55	284.50	286.51	288.55	290.63	292.75	294.90	297.06	299.25
53	275.10	277.00	278.95	280.96	283.02	285.12	287.26	289.43	291.63	293.86	296.10
54	271.31	273.26	275.26	277.33	279.44	281.59	283.79	286.02	288.28	290.57	292.87
55	267.43	269.42	271.48	273.60	275.76	277.97	280.23	282.52	284.84	287.19	289.56
56	263.44	265.49	267.60	269.77	271.99	274.26	276.58	278.93	281.31	283.72	286.15
57	259.36	261.46	263.62	265.85	268.13	270.46	272.83	275.24	277.69	280.16	282.66
58	255.17	257.33	259.55	261.83	264.16	266.55	268.99	271.46	273.97	276.51	279.08
59	250.88	253.09	255.37	257.70	260.10	262.55	265.05	267.59	270.16	272.77	275.40
60	246.49	248.75	251.08	253.48	255.94	258.45	261.01	263.61	266.26	268.93	271.63
61	241.99	244.31	246.70	249.15	251.67	254.24	256.87	259.54	262.25	264.99	267.76
62	237.39	239.76	242.20	244.72	247.30	249.94	252.63	255.37	258.15	260.96	263.80
63	232.69	235.11	237.61	240.18	242.83	245.53	248.29	251.10	253.95	256.83	259.74
64	227.88	230.35	232.91	235.54	238.25	241.02	243.85	246.72	249.64	252.60	255.58
65	222.97	225.50	228.11	230.80	233.57	236.40	239.30	242.25	245.24	248.27	251.32
66	217.97	220.54	223.21	225.96	228.79	231.69	234.65	237.67	240.73	243.83	246.97
67	212.86	215.49	218.21	221.02	223.90	226.87	229.90	232.99	236.12	239.30	242.51
68	207.67	210.34	213.11	215.97	218.92	221.95	225.05	228.21	231.42	234.67	237.96
69	202.38	205.10	207.92	210.84	213.85	216.93	220.10	223.32	226.61	229.93	233.30
70	197.01	199.77	202.64	205.61	208.67	211.82	215.05	218.34	221.70	225.10	228.54
71	191.55	194.36	197.27	200.29	203.41	206.62	209.91	213.27	216.69	220.17	223.69
72	186.02	188.86	191.82	194.89	198.06	201.33	204.68	208.10	211.59	215.14	218.73
73	180.42	183.30	186.30	189.41	192.64	195.95	199.36	202.85	206.40	210.02	213.69
74	174.77	177.67	180.71	183.86	187.13	190.50	193.97	197.51	201.13	204.81	208.55
75	169.07	172.00	175.06	178.25	181.56	184.98	188.49	192.10	195.78	199.53	203.33

**TABLE B**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 3.5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$239.16	\$239.44	\$240.33	\$241.91	\$244.31	\$245.38
51	235.77	236.07	237.04	238.76	241.39	242.39
52	232.29	232.62	233.68	235.55	238.42	239.33
53	228.73	229.09	230.24	232.28	235.42	236.21
54	225.09	225.48	226.73	228.96	232.39	233.03
55	221.36	221.79	223.15	225.58	229.34	229.78
56	217.55	218.01	219.49	222.15	226.27	226.47
57	213.65	214.15	215.76	218.67	223.19	223.10
58	209.66	210.20	211.96	215.15	220.10	219.66
59	205.57	206.17	208.09	211.59	217.03	216.16
60	201.40	202.05	204.16	208.00	213.98	212.59
61	197.13	197.85	200.16	204.38	210.96	208.95
62	192.78	193.57	196.11	200.76	207.98	205.24
63	188.35	189.21	192.01	197.12	205.06	201.46
64	183.83	184.78	187.86	193.50	202.22	197.60
65	179.24	180.29	183.68	189.90	199.46	193.66
66	174.58	175.73	179.48	186.33	196.81	189.83
67	169.85	171.12	175.26	182.82	194.27	185.82
68	165.05	166.46	171.03	179.36	191.87	181.73
69	160.19	161.75	166.81	175.99	189.61	177.79
70	155.28	157.00	162.61	172.72	187.51	173.66
71	150.32	152.23	158.45	169.55	185.58	169.44
72	145.31	147.44	154.33	166.52	183.82	165.46
73	140.28	142.65	150.29	163.64	182.23	161.24
74	135.23	137.87	146.33	160.93	180.83	157.15
75	130.18	133.12	142.47	158.39	179.59	152.96

Option 4 -- Joint and Survivor Life Annuity

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$263.95	\$265.39	\$266.87	\$268.38	\$269.93	\$271.50	\$273.09	\$274.71	\$276.33	\$277.97	\$279.62
51	261.05	262.54	264.07	265.63	267.22	268.84	270.49	272.15	273.83	275.53	277.23
52	258.07	259.61	261.18	262.79	264.43	266.11	267.80	269.52	271.26	273.00	274.76
53	255.00	256.58	258.20	259.86	261.56	263.28	265.03	266.81	268.60	270.40	272.21
54	251.83	253.46	255.13	256.85	258.59	260.37	262.18	264.00	265.85	267.71	269.58
55	248.57	250.25	251.97	253.74	255.54	257.37	259.23	261.12	263.02	264.94	266.87
56	245.21	246.94	248.71	250.53	252.39	254.28	256.20	258.14	260.10	262.08	264.07
57	241.75	243.53	245.36	247.23	249.14	251.09	253.07	255.07	257.10	259.14	261.19
58	238.19	240.02	241.90	243.83	245.80	247.81	249.85	251.91	254.00	256.10	258.22
59	234.52	236.41	238.34	240.33	242.36	244.43	246.53	248.65	250.80	252.97	255.15
60	230.75	232.69	234.68	236.73	238.82	240.95	243.11	245.30	247.52	249.75	252.00
61	226.87	228.86	230.92	233.02	235.17	237.36	239.59	241.85	244.13	246.43	248.75
62	222.88	224.93	227.04	229.21	231.42	233.68	235.97	238.30	240.65	243.02	245.41
63	218.78	220.89	223.06	225.29	227.57	229.89	232.25	234.64	237.07	239.51	241.96
64	214.58	216.75	218.97	221.26	223.60	225.99	228.42	230.89	233.38	235.89	238.42
65	210.28	212.49	214.78	217.13	219.53	221.99	224.49	227.03	229.59	232.18	234.78
66	205.87	208.14	210.48	212.89	215.36	217.88	220.45	223.06	225.70	228.36	231.04
67	201.35	203.67	206.07	208.54	211.08	213.67	216.31	218.99	221.70	224.44	227.20
68	196.73	199.11	201.56	204.09	206.69	209.35	212.06	214.81	217.60	220.42	223.25
69	192.02	194.44	196.95	199.54	202.20	204.92	207.70	210.52	213.39	216.28	219.20
70	187.20	189.68	192.24	194.89	197.61	200.39	203.24	206.14	209.08	212.05	215.05
71	182.29	184.82	187.44	190.14	192.92	195.77	198.68	201.65	204.66	207.71	210.79
72	177.30	179.87	182.53	185.29	188.13	191.04	194.02	197.06	200.14	203.27	206.42
73	172.23	174.84	177.55	180.36	183.25	186.22	189.27	192.37	195.53	198.73	201.96
74	167.08	169.73	172.48	175.34	178.28	181.32	184.42	187.59	190.82	194.09	197.40
75	161.88	164.55	167.34	170.24	173.24	176.33	179.49	182.72	186.02	189.36	192.74

**TABLE C**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 4.5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$208.77	\$209.03	\$209.86	\$211.25	\$213.28	\$213.12
51	206.28	206.57	207.46	208.98	211.20	210.91
52	203.71	204.02	205.00	206.66	209.08	208.64
53	201.06	201.40	202.46	204.27	206.92	206.30
54	198.32	198.70	199.86	201.83	204.72	203.88
55	195.51	195.92	197.17	199.33	202.49	201.40
56	192.60	193.05	194.42	196.77	200.24	198.84
57	189.61	190.10	191.59	194.16	197.97	196.21
58	186.53	187.06	188.69	191.51	195.68	193.50
59	183.35	183.93	185.71	188.80	193.39	190.78
60	180.08	180.71	182.66	186.06	191.10	187.95
61	176.71	177.40	179.55	183.28	188.83	185.04
62	173.25	174.01	176.37	180.47	186.57	182.05
63	169.70	170.53	173.13	177.65	184.35	179.07
64	166.06	166.97	169.83	174.82	182.18	175.97
65	162.33	163.34	166.49	171.99	180.06	172.80
66	158.52	159.63	163.11	169.17	178.01	169.54
67	154.63	155.85	159.69	166.38	176.05	166.36
68	150.65	152.01	156.26	163.63	174.18	163.01
69	146.60	148.10	152.80	160.93	172.42	159.60
70	142.48	144.14	149.35	158.29	170.78	156.25
71	138.28	140.13	145.90	155.73	169.26	152.77
72	134.03	136.09	142.48	153.27	167.88	149.22
73	129.73	132.02	139.10	150.93	166.63	145.60
74	125.38	127.94	135.78	148.71	165.51	142.18
75	121.01	123.86	132.53	146.63	164.54	138.56

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:

Age of Older Annuitant	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$227.47	\$228.45	\$229.45	\$230.46	\$231.49	\$232.53	\$233.58	\$234.63	\$235.68	\$236.74	\$237.79
51	225.49	226.51	227.55	228.60	229.67	230.76	231.85	232.94	234.04	235.14	236.23
52	223.42	224.49	225.57	226.67	227.78	228.91	230.04	231.18	232.33	233.47	234.61
53	221.28	222.38	223.51	224.65	225.81	226.98	228.17	229.35	230.54	231.74	232.93
54	219.05	220.20	221.37	222.56	223.76	224.98	226.21	227.45	228.69	229.93	231.17
55	216.73	217.93	219.14	220.38	221.63	222.90	224.18	225.47	226.76	228.05	229.34
56	214.33	215.57	216.83	218.12	219.42	220.74	222.07	223.41	224.75	226.09	227.44
57	211.82	213.11	214.43	215.76	217.12	218.49	219.87	221.26	222.66	224.06	225.46
58	209.22	210.56	211.93	213.32	214.73	216.15	217.59	219.04	220.49	221.94	223.40
59	206.53	207.92	209.33	210.78	212.24	213.72	215.22	216.72	218.23	219.74	221.26
60	203.73	205.17	206.64	208.14	209.66	211.20	212.75	214.32	215.89	217.46	219.03
61	200.82	202.32	203.85	205.40	206.98	208.58	210.20	211.82	213.45	215.09	216.72
62	197.81	199.36	200.95	202.56	204.20	205.86	207.54	209.23	210.92	212.62	214.32
63	194.70	196.30	197.94	199.62	201.32	203.04	204.78	206.54	208.30	210.06	211.83
64	191.47	193.13	194.83	196.57	198.33	200.12	201.93	203.75	205.58	207.41	209.24
65	188.14	189.85	191.61	193.41	195.24	197.09	198.97	200.86	202.76	204.66	206.56
66	184.69	186.47	188.28	190.14	192.04	193.96	195.90	197.86	199.83	201.81	203.79
67	181.14	182.97	184.85	186.77	188.73	190.71	192.73	194.76	196.81	198.86	200.91
68	177.47	179.36	181.30	183.28	185.31	187.36	189.45	191.55	193.67	195.80	197.93
69	173.70	175.64	177.64	179.69	181.78	183.90	186.06	188.24	190.43	192.63	194.84
70	169.82	171.82	173.87	175.98	178.14	180.33	182.56	184.81	187.08	189.36	191.65
71	165.83	167.88	170.00	172.17	174.39	176.65	178.95	181.27	183.62	185.98	188.35
72	161.74	163.85	166.02	168.25	170.54	172.87	175.23	177.63	180.06	182.50	184.94
73	157.56	159.71	161.94	164.23	166.58	168.97	171.41	173.89	176.38	178.90	181.43
74	153.28	155.48	157.76	160.11	162.52	164.98	167.49	170.03	172.61	175.20	177.81
75	148.92	151.16	153.49	155.89	158.36	160.89	163.46	166.08	168.73	171.40	174.09

**TABLE D**  
**DOLLAR AMOUNT REQUIRED TO PURCHASE AN ANNUITY**  
**WITH A FIRST MONTHLY PAYMENT OF \$1.00**  
**AT AN ASSUMED INVESTMENT RATE OF 5%**

Options 1, 2 and 3 -- Single Life Annuities

Age	Monthly Payments Guaranteed					Unit Refund
	None	60	120	180	240	
50	\$195.93	\$196.19	\$196.98	\$198.29	\$200.16	\$199.57
51	193.78	194.06	194.93	196.36	198.39	197.66
52	191.56	191.87	192.18	194.37	196.59	195.69
53	189.26	189.60	190.62	192.32	194.75	193.65
54	186.88	187.25	188.36	190.22	192.88	191.57
55	184.42	184.82	186.03	188.06	190.97	189.40
56	181.88	182.32	183.63	185.85	189.04	187.16
57	179.25	179.72	181.16	183.58	187.08	184.85
58	176.53	177.04	178.61	181.27	185.11	182.46
59	173.71	174.28	175.99	178.90	183.12	180.05
60	170.80	171.42	173.30	176.50	181.14	177.53
61	167.80	168.48	170.54	174.06	179.16	174.94
62	164.70	165.44	167.72	171.58	177.19	172.27
63	161.51	162.33	164.83	169.09	175.25	169.52
64	158.23	159.13	161.88	166.58	173.34	166.79
65	154.86	155.85	158.89	164.07	171.48	163.94
66	151.41	152.50	155.85	161.56	169.68	161.00
67	147.86	149.07	152.77	159.06	167.95	157.99
68	144.24	145.57	149.66	156.60	166.31	155.03
69	140.53	142.00	146.53	154.18	164.75	151.93
70	136.74	138.38	143.39	151.81	163.29	148.76
71	132.88	134.69	140.25	149.51	161.95	145.51
72	128.95	130.97	137.13	147.29	160.72	142.39
73	124.96	127.21	134.03	145.17	159.60	139.09
74	120.92	123.43	130.99	143.16	158.61	135.73
75	116.84	119.64	128.00	141.27	157.74	132.49

Option 4 -- Joint and Survivor Life Annuity

Younger Annuitant:	Number of Years Younger Than Older Annuitant										
	0	1	2	3	4	5	6	7	8	9	10
50	\$212.26	\$213.07	\$213.89	\$214.73	\$215.57	\$216.42	\$217.27	\$218.12	\$218.97	\$219.82	\$220.67
51	210.61	211.46	212.32	213.19	214.07	214.96	215.85	216.74	217.63	218.52	219.41
52	208.89	209.78	210.68	211.59	212.51	213.44	214.37	215.30	216.23	217.16	218.09
53	207.09	208.02	208.96	209.91	210.87	211.84	212.82	213.79	214.77	215.74	216.71
54	205.21	206.18	207.16	208.16	209.16	210.18	211.19	212.22	213.24	214.25	215.27
55	203.25	204.26	205.29	206.33	207.38	208.44	209.50	210.57	211.63	212.70	213.76
56	201.21	202.26	203.33	204.42	205.52	206.62	207.73	208.85	209.96	211.07	212.18
57	199.07	200.17	201.29	202.43	203.57	204.72	205.89	207.05	208.21	209.38	210.53
58	196.85	198.00	199.16	200.34	201.54	202.75	203.96	205.17	206.39	207.60	208.81
59	194.53	195.72	196.94	198.17	199.42	200.68	201.94	203.21	204.48	205.75	207.02
60	192.11	193.36	194.62	195.91	197.21	198.52	199.85	201.17	202.50	203.82	205.14
61	189.59	190.89	192.21	193.55	194.91	196.28	197.66	199.04	200.42	201.81	203.18
62	186.97	188.32	189.69	191.09	192.51	193.94	195.37	196.82	198.26	199.71	201.14
63	184.24	185.64	187.08	188.53	190.01	191.50	193.00	194.50	196.01	197.52	199.02
64	181.40	182.86	184.35	185.87	187.41	188.96	190.52	192.09	193.66	195.23	196.80
65	178.46	179.98	181.53	183.10	184.70	186.32	187.95	189.58	191.22	192.86	194.49
66	175.41	176.98	178.59	180.23	181.89	183.57	185.27	186.97	188.68	190.39	192.09
67	172.25	173.88	175.54	177.24	178.97	180.72	182.48	184.26	186.04	187.82	189.59
68	168.98	170.66	172.39	174.15	175.94	177.76	179.59	181.44	183.29	185.14	186.99
69	165.60	167.34	169.12	170.95	172.80	174.69	176.59	178.51	180.44	182.36	184.29
70	162.10	163.90	165.75	167.64	169.56	171.51	173.48	175.47	177.47	179.48	181.48
71	158.50	160.36	162.26	164.21	166.20	168.22	170.27	172.33	174.41	176.49	178.57
72	154.79	156.70	158.67	160.68	162.73	164.82	166.94	169.08	171.23	173.39	175.55
73	150.98	152.94	154.96	157.04	159.16	161.32	163.51	165.72	167.95	170.19	172.43
74	147.07	149.09	151.16	153.30	155.48	157.71	159.97	162.25	164.56	166.88	169.20
75	143.08	145.14	147.26	149.45	151.70	153.99	156.32	158.68	161.06	163.46	165.86

Beneficiaries.

- a. Unlocatable Beneficiaries. If We cannot obtain a mailing address for the designated beneficiary using methods allowed by and within the period required by applicable state or federal regulations, then We will deem the Participant to have no designated beneficiary and We will pay the proceeds accordingly. If no applicable law provides guidelines and We cannot obtain a mailing address for the designated beneficiary by reasonable means and within a reasonable period, then We will deem the Participant to have no designated beneficiary and We will pay the proceeds accordingly.
- b. Trust or Estate as Beneficiary. Payments to a Beneficiary that is a trust or an estate will be made in a lump sum or in installments over a period not to exceed five years, to the extent required by applicable law.

Investment Options. We reserve the right to limit the number of Investment Options available under the Contract. The Investment Options available under the Contract will be those selected by the Contract Owner on the application. The Contract Owner may request, from time to time, that We add or substitute Investment Options available from Separate Account A. Any such request will be subject to Our approval and to any other applicable limitations in the Contract.

Separate Account Charge. The amount of the Separate Account Charge depends on the Variable Investment Option from which it is deducted, and is imposed at an annual rate of up to 1.25% of the assets of the Variable Investment Option.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY



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Julie Cotton Hearne  
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY  
Houston, Texas

INVESTMENT VEHICLE ENDORSEMENT

This Endorsement is made a part of the Contract to which it is attached, and applies to contribution source(s) 1, 5, V.

The following is a list of available investment options. "Fixed Account Plus" and "Short Term Fixed Account" are Fixed Subaccount Options and are invested in VALIC's General Account. All other options are invested in VALIC's Separate Account A.

Investment Subaccount Name

**Fixed Account Plus** provides fixed-return investment growth for the long-term. It is credited with interest at rates set by VALIC. The account is guaranteed to earn at least a minimum rate of interest as shown in your contract and/or endorsements. There are limitations on transfers out of this option.

**Short Term Fixed Account** provides fixed-return investment growth for the short-term. It is credited with interest at rates set by VALIC which may be lower than the rates credited to Fixed Account Plus, above. The account is guaranteed to earn at least a minimum rate of interest as shown in your contract and/or endorsements.

**Multi-Year Enhanced Fixed Option (MYE).** This account is a long-term investment option, providing a guaranteed interest rate for a guaranteed period (three, five, seven, and ten years) (MVA Term). Funds invested in this option are subject to a Market Value Adjustment if withdrawn before the end of the MVA Term. This investment option requires a minimum amount of at least \$25,000. All MVA Terms may not be available at all times.

**VALIC Company (VC) I – Asset Allocation Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks maximum aggregate rate of return over the long term through controlled investment risk by adjusting its investment mix among stocks, long-term debt securities and short-term money market securities.

**VC I – Blue Chip Growth Fund.** (Sub-advised by T. Rowe Price Associates, Inc.) Seeks long-term capital growth by investing in the common stocks of large and medium-sized blue chip growth companies. Income is a secondary objective.

**VC I – Broad Cap Value Income Fund.** (Sub-advised by Barrow, Hanley, Mewhinney & Strauss, LCC) Seeks total return through capital appreciation with income as a secondary objective. The Fund invests primarily in equity securities of U.S. large- and mid-cap companies that are considered to be undervalued.

**VC I – Capital Conservation Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks the highest possible total return consistent with preservation of capital through current income and capital gains on investments in intermediate- and long-term debt instruments and other income-producing securities.

**VC I – Core Equity Fund.** (Sub-advised by BlackRock Financial Management LLC) Seeks to provide long-term growth of capital through investment primarily in equity securities of large-cap companies with long-term growth potential.

**VC I – Dividend Value Fund.** (Sub-advised by BlackRock Financial Management LLC and SunAmerica Asset Management, LLC) Seeks capital growth by investing in common stocks. Income is a secondary objective. Under normal circumstances, the Fund will invest at least 80% of its net assets in dividend paying equity securities.

All funds may not be available in all contract types or all employer plans.

**VC I – Dynamic Allocation Fund.** (Sub-advised by AllianceBernstein L.P. and SunAmerica Asset Management, LLC) Seeks capital appreciation and current income while managing net equity exposure. Under normal conditions, the Fund invests approximately 70% to 90% of its assets in shares of the underlying funds, which are funds of VC I and VC II (the “fund-of-fund component”), and 10% to 30% of its assets in a portfolio of derivative instruments, exchange traded funds, fixed income securities and short-term investments (the “overlay component”).

**VC I – Foreign Value Fund.** (Sub-advised by Templeton Global Advisors Limited) Seeks long-term growth of capital by investing primarily in equity securities of companies located outside the U.S., including emerging markets.

**VC I – Emerging Economies Fund.** (Sub-advised JP Morgan Investment Management, Inc.) Seeks capital appreciation. Under normal circumstances, the fund invests at least 80% of value of its net assets in equity securities of emerging markets companies and other investments that are tied economically to emerging markets.

**VC I - Global Real Estate Fund.** (Sub-advised by Invesco Advisers, Inc. and Goldman Sachs Asset Management, L.P.) Seeks high total return through long-term growth of capital and current income. The fund invests, under normal circumstances, at least 80% of its net assets in a diversified portfolio of equity investments in real estate and real estate-related companies. The fund may invest up to 75% of its total assets in foreign securities, including securities of issuers in emerging markets.

**VC I – Global Social Awareness Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to obtain growth of capital through investment, primarily in equity securities of companies which meet the social criteria established for the fund.

**VC I – Global Strategy Fund.** (Sub-advised by Franklin Advisers, Inc. and Templeton Investment Counsel, LLC) Seeks high total return by investing in equity securities of companies in any country, fixed income (debt) securities of companies and governments of any country, and in money market securities. The Fund's debt investments generally focus on “investment grade” securities. The Fund may also invest in debt securities that are rated below investment grade or, if unrated, determined by the sub-adviser to be comparable, including high yield debt securities and debt securities that are in default at the time of purchase.

**VC I – Government Securities Fund.** (Sub-advised by JP Morgan Investment Management, Inc.) Seeks high current income and protection of capital through investments in intermediate- and long-term United States Government and government-sponsored debt securities.

**VC I – Growth Fund.** (Sub-advised by American Century Investment Management, Inc.) Seeks long term capital growth. The Fund invests primarily in common stocks of growing companies. This strategy looks for companies with earnings and revenues that are not only growing, but growing at a successively faster, or accelerating, pace.

**VC I – Growth & Income Fund.** (Sub-advised by JP Morgan Investment Management, Inc.) Seeks to provide long-term growth of capital and secondarily, current income, through investment in common stocks and equity-related securities. The fund uses a bottom-up, disciplined investment process.

**VC I – Health Sciences Fund.** (Sub-advised by T. Rowe Price Associates, Inc.) Seeks long-term capital growth through investments primarily in companies engaged in the research, development, production or distribution of products or services related to health care, medicine, or life sciences.

**VC I – Inflation Protected Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks maximum real return, consistent with appreciation of capital and prudent investment management. The fund normally invests at least 80% of assets in inflation-indexed fixed income securities issued by domestic and foreign governments (including those in emerging market countries), their agencies or instrumentalities, and corporations.

All funds may not be available in all contract types or all employer plans.

**VC I – International Equities Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks long-term capital growth through investments in equity securities that, as a group, are expected to provide investment results closely corresponding to the performance of the Morgan Stanley Capital International, Europe, Australasia and the Far East Index.

**VC I – International Government Bond Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks high current income through investments primarily in investment grade debt securities issued or guaranteed by foreign governments. This fund is classified as “non-diversified” because it expects to concentrate in certain foreign government securities. Also, the fund attempts to have all of its investments payable in foreign securities. The fund may convert its cash to foreign currency.

**VC I – International Growth Fund.** (Sub-advised by American Century Investment Management, Inc., Invesco Advisers, Inc. and Massachusetts Financial Services Company) Seeks capital growth through investments primarily in equity securities of issuers in developed foreign countries. The Sub-Advisers use a proprietary investment strategy to invest in stocks of companies it believes will increase in value over time.

**VC I – Large Cap Core Fund.** (Sub-advised by Columbia Management Investment Advisors, LLC) Seeks capital growth with the potential for current income. The Fund invests, under normal conditions, at least 80% of its assets in the common stock of large-cap U.S. companies. The Fund’s stock selection is based on a diversified style of equity management that allows it to invest in both value and growth oriented equity securities.

**VC I – Large Capital Growth Fund.** (Sub-advised by Massachusetts Financial Services Company) Seeks to provide long-term growth of capital by normally investing in common stocks of large-cap growth companies. The fund focuses on investing in the stocks of companies it believes to have above average earnings growth potential compared to other companies.

**VC I – Mid Cap Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to provide growth of capital through investments primarily in a diversified portfolio of common stocks that, as a group, are expected to provide investment results closely corresponding to the performance of the Standard & Poor’s MidCap 400® Index.

**VC I – Mid Cap Strategic Growth Fund.** (Sub-advised by Morgan Stanley Investment Management, Inc. and Allianz Global Investors U.S., LLC) Seeks long term capital growth by investing primarily in growth-oriented equity securities of U.S. mid cap companies and, to a limited extent, foreign companies.

**VC I – Money Market I Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks liquidity, protection of capital and current income through investments in short-term money market instruments.

**VC I – Nasdaq-100® Index Fund** (Sub-advised by SunAmerica Asset Management, LLC) Seeks long-term capital growth through investments in the stocks that are included in the Nasdaq-100® Index. The fund is a non-diversified fund, meaning that it can invest more than 5% of its assets in the stocks of one company. The fund may concentrate its investments in the technology sector, in the proportion consistent with the industry weightings in the Index.

**VC I – Science & Technology Fund.** (Sub-advised by T. Rowe Price Associates, Inc. and Allianz Global Investors U.S., LLC and Wellington Management Company LLP) Seeks long-term capital appreciation through investments primarily in the common stocks of companies that are expected to benefit from the development, advancement and use of science and technology.

**VC I – Small Cap Aggressive Growth Fund.** (Sub-advised by RS Investment Management Co. LLC) Seeks capital growth by investing primarily in common stocks of small-cap U.S. companies. The fund considers a company to be a small-cap company if its market capitalization, at the time of purchase, is

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equal to or less than the market capitalization of the largest company in the Russell 2000® Index during the most recent 12-month period.

**VC I – Small Cap Fund.** (Sub-advised by Invesco Capital Management, T. Rowe Price Associates, Inc. and Bridgeway Capital Management, Inc.) Seeks to provide long-term capital growth by investing primarily in the stocks of small companies.

**VC I – Small Cap Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to provide growth of capital through investment primarily in a diversified portfolio of common stocks that, as a group, the Sub-Adviser believes may provide investment results closely corresponding to the performance of the Russell 2000® Index.

**VC I – Small Cap Special Values Fund.** (Sub-advised by Wells Capital Management and Dreman Value Management) Seeks to produce growth of capital by investing primarily in common stocks of small U.S. companies.

**VC I – Small-Mid Growth Fund.** (Sub-advised by Goldman Sachs Asset Management, L.P.) Seeks capital growth by investing primarily in common stocks. Under normal circumstances, the Fund invests at least 80% of its net assets in common stocks of small- and mid-cap U.S. companies. (i.e., companies whose market capitalizations fall within the range tracked by the Russell 2500® Index, at the time of purchase).

**VC I – Stock Index Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks long-term capital growth through investment in common stocks that, as a group, are expected to provide investment results closely corresponding to the performance of the Standard & Poor's 500® Stock Index.

**VC I – Value Fund.** (Sub-advised by Wellington Management Company) Seeks long-term total return, which consists of capital appreciation and income. The fund attempts to achieve its objective by investing in common stocks of companies that it has identified as financially sound but out-of-favor that provide above-average potential total returns and sell at below-average price/earnings multiples.

**VC II – Aggressive Growth Lifestyle Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks growth through investments in a combination of funds offered in VALIC Company I (VC I) and VALIC Company II (VC II). This fund of funds is suitable for investors seeking the potential for capital growth that a fund investing predominately in equity securities may offer. The fund of funds is suitable for investors who invest in equity securities at a higher level of market risk than the Moderate Growth Lifestyle Fund and the Conservative Growth Lifestyle Fund.

**VC II – Capital Appreciation Fund.** (Sub-advised by Boston Company Asset Management) Seeks long-term capital appreciation by investing primarily in a broadly diversified portfolio of stocks and other equity securities of United States companies.

**VC II – Conservative Growth Lifestyle Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks current income and low to moderate growth of capital through investments in a combination of the different funds offered in VC I and VC II. This fund of funds is suitable for investors who invest in equity securities, but who are not willing to assume the market risks of either the Aggressive Growth Lifestyle Fund or the Moderate Growth Lifestyle Fund.

**VC II – Core Bond Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks the highest possible total return consistent with conservation of capital through investment in medium- to high- quality fixed income securities. These securities include corporate debt securities of U.S. and foreign companies, securities issued or guaranteed by the United States government, mortgage-backed, or asset-backed securities.

**VC II – High Yield Bond Fund.** (Sub-advised by Wellington Management Company) Seeks the highest possible total return and income consistent with conservation of capital through investment in a diversified

All funds may not be available in all contract types or all employer plans.

portfolio of high yielding, high risk fixed income securities. These securities include below-investment-grade fixed income securities.

**VC II – International Opportunities Fund.** (Sub-advised by UBS Global Asset Management and Massachusetts Financial Services Company) Seeks to provide long-term capital appreciation through equity and equity-related investments of small to mid cap companies throughout the world, excluding the United States.

**VC II – Large Cap Value Fund.** (Sub-advised by Boston Company Asset Management, LLC and Perkins Investment Management, LLC) Seeks to provide total returns that exceed over time the Russell 1000® Value Index through investment in equity securities. The Russell 1000® Value Index is a sub-index of the Russell 3000® Index, which follows the 3,000 largest United States companies, based on total market capitalization.

**VC II – Mid Cap Growth Fund.** (Sub-advised by Wells Capital Management Inc.) Seeks long-term capital appreciation principally through investments in medium-capitalization equity securities, such as common and preferred stocks and securities convertible into common stocks.

**VC II – Mid Cap Value Fund.** (Sub-advised by Wellington Management Company, Robeco Investment Management, Inc. and Tocqueville Asset Management) Seeks capital growth through investments in equity securities of medium capitalization companies using a value-oriented investment approach. Mid-capitalization companies include companies with a market capitalization within the range of the Russell MidCap® Index range.

**VC II – Moderate Growth Lifestyle Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks growth and current income through investments in a combination of the different funds offered in VC I and VC II. This fund of funds is suitable for investors who invest in equity securities but who are not willing to assume the market risks of the Aggressive Growth Lifestyle Fund.

**VC II – Money Market II Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks liquidity, protection of capital and current income through investments in short-term money market instruments.

**VC II – Small Cap Growth Fund.** (Sub-advised by JP Morgan Investment Management Inc.) Seeks to provide long-term capital growth through investments primarily in the equity securities of small companies with market caps not exceeding the highest market cap value in the Russell 2000® Growth Index, at the time of purchase.

**VC II – Small Cap Value Fund.** (Sub-advised by JP Morgan Investment Management, Inc. and Metropolitan West Capital Management, LLC) Seeks to provide maximum long-term return, consistent with reasonable risk to principal, by investing primarily in securities of small-capitalization companies in terms of revenues and/or market capitalization. Small-cap companies are companies whose total market capitalizations, at the time of purchase, are equal to or less than the largest company in the Russell 2000® Index during the most recent 12-month period.

**VC II – Socially Responsible Fund.** (Sub-advised by SunAmerica Asset Management, LLC) Seeks to obtain growth of capital through investment, primarily in equity securities, in companies which meet the social criteria established for the fund. Under normal circumstances, the fund invests at least 80% of its net assets in the equity securities of U.S. companies meeting the fund's social criteria. The fund does not invest in companies that are significantly engaged in the production of nuclear energy; the manufacture of military weapons or delivery systems, the manufacture of alcoholic beverages or tobacco products; the operation of gambling casinos; or business practices or the production of products that significantly pollute the environment.

**VC II – Strategic Bond Fund.** (Sub-advised by PineBridge Investments, LLC) Seeks the highest possible total return and income consistent with conservation of capital through investment in a diversified portfolio of income producing securities. The fund invests in a broad range of fixed-income securities,

All funds may not be available in all contract types or all employer plans.

including investment-grade bonds, United States government and agency obligations, mortgage-backed securities, and United States, Canadian, and foreign high risk, high yield bonds.

**American Beacon Holland Large Cap Growth Fund.** (Managed by American Beacon Advisors, Inc., and sub-advised by Holland Capital Management, LLC) The fund primarily seeks long-term growth of capital. The receipt of dividend income is a secondary consideration. The fund will invest in a diversified portfolio of equity securities of mid-to large-capitalization growth companies.

**Ariel Fund.** (Managed by Ariel Investments, LLC) Seeks long-term capital appreciation by investing primarily in the equity securities of small/mid-sized undervalued U.S. companies that show strong potential for growth, with a weighted average market capitalization generally between \$1 billion and \$7.5 billion.

**Ariel Appreciation Fund.** (Managed by Ariel Investments, LLC) Seeks long-term capital appreciation by investing primarily in the equity securities of mid-sized undervalued companies that show strong potential for growth, with a weighted average market capitalization between \$2 billion and \$15 billion.

**Invesco Balanced-Risk Commodity Strategy Fund.** (Sub-advised by Invesco Capital Management) Seeks to provide total return. The fund invests, under normal conditions, in derivatives and other commodity-linked instruments whose performance is expected to correspond to the performance of the underlying commodity, without investing directly in physical commodities. It seeks to achieve its investment objective by investing in derivatives and other commodity-linked instruments that provide exposure to the following four sectors of the commodities markets: agricultural/livestock, energy, industrial metals and precious metals. The fund is non-diversified.

**T. Rowe Price Retirement Fund 2015, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2015 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2020, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2020 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2025, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2025 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2030, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2030 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2035, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation

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between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2035 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2040, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2040 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2045, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2045 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2050, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2050 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2055, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2055 and prefer a diversified approach to retirement investing.

**T. Rowe Price Retirement Fund 2060, Advisor Shares.** (Managed by T. Rowe Price Associates, Inc.) Seeks the highest total return over time consistent with emphasis on both capital growth and income. The fund invests in a diversified portfolio of T. Rowe Price stock and bond funds. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The fund may be appropriate for individuals who are planning to retire around 2060 and prefer a diversified approach to retirement investing.

**Vanguard LifeStrategy Conservative Growth Fund – Investor Shares.** (Managed by Vanguard) Seeks to provide current income and low to moderate growth of capital. This is a fund of funds, investing in other Vanguard mutual funds according to a fixed formula that typically results in an allocation of about 40% of assets to bonds, 20% to short-term fixed income investments, and 40% to common stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate- and long-term U.S. government, agency, and investment-grade corporate bonds, as well as mortgage-backed securities. The fund's indirect stock holdings consist substantially of large-cap U.S. stocks and, to a lesser extent, mid-and small-cap U.S. stocks and foreign stocks.

**Vanguard LifeStrategy Growth Fund – Investor Shares.** (Managed by Vanguard) Seeks to provide growth of capital and some current income. This is a fund of funds, investing in other Vanguard mutual funds according to a fixed formula that typically results in an allocation of about 80% of assets to common stocks and 20% to bonds. The funds indirect stock holdings consist substantially of large-cap United States stocks and, to a lesser extent, mid- and small-cap United States stocks and foreign stocks. Its indirect bond holdings are a diversified mix of short-, intermediate -and long-term United States government, agency, and investment-grade corporate bonds with a strong emphasis on long-term United States Treasury bonds, as well as mortgage-backed securities.

All funds may not be available in all contract types or all employer plans.

**Vanguard LifeStrategy Moderate Growth Fund – Investor Shares.** (Managed by Vanguard) Seeks to provide growth of capital and a low to moderate level of current income. This fund is a fund of funds, investing in other Vanguard mutual funds according to a fixed formula that typically results in an allocation of about 60% of assets to common stocks and 40% to bonds. The funds indirect stock holdings consist substantially of large-cap United States stocks and, to a lesser extent, mid- and small-cap United States stocks and foreign stocks. The fund's indirect bond holdings are a diversified mix of short-, intermediate - and long-term United States government, agency, and investment-grade corporate bonds as well as mortgage-backed securities.

**Vanguard Long-Term Investment-Grade Fund – Investor Shares.** (Managed by Wellington Management Company and The Vanguard Group) Seeks to provide a high and sustainable level of current income. The Fund invests in a variety of high-quality and, to a lesser extent, medium-quality fixed income securities, at least 80% of which will be intermediate- and long-term investment grade fixed income securities.

**Vanguard Long-Term Treasury Fund – Investor Shares.** (Managed by The Vanguard Group) Seeks to provide a high and sustainable level of current income by investing at least 80% of assets in U.S. Treasury securities. The fund is expected to maintain a dollar-weighted average maturity between 15 and 30 years.

**Vanguard Wellington Fund – Investor Shares.** (Managed by Wellington Management Company LLP) Seeks to provide long-term growth of capital and reasonable current income by investing in dividend-paying, and, to a lesser extent, non-dividend paying common stocks of established, large-and medium-sized companies. In choosing these companies, the Adviser seeks those that appear to be undervalued but which have prospects to improve. The fund also invests in investment grade corporate bonds, with some exposure to United States Treasury, government agency, and mortgage-backed bonds.

**Vanguard Windsor II Fund – Investor Shares.** (Managed by Barrow, Hanley, Mewhinney & Strauss and Equinox Capital Management, LLC; Hotchkis and Wiley Capital Management, LLC; Tukman Capital Management, Inc.; The Vanguard Group) Seeks to provide long-term capital appreciation and income. The fund invests mainly in medium- and large-sized companies whose stocks are considered by the fund's advisers to be undervalued.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY



Julie Cotton Hearne  
Secretary

## **CUSTOMER SERVICE INFORMATION**

If you have any questions regarding this policy, wish to register a complaint or wish to contact us if you did not receive sales material related to this contract, please call us at 1-800-448-2542 or write:

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Amarillo, Texas 79105