



ASSURED LIFE
ASSOCIATION

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Annuity Disclosure Statement

INDIVIDUAL FLEXIBLE PREMIUM DEFERRED ANNUITY

This disclosure statement is for your protection. It gives you basic information about the annuity being considered and is not intended to be a complete explanation of the annuity. Only the annuity certificate contains complete details. Please read this disclosure carefully before signing any agreement to buy an annuity or accepting your contract. If you have any questions, please contact a company representative at the phone number above.

Description: An individual flexible premium deferred annuity is a contract whereby for the premium or multiple premiums received, Assured Life Association (Society) agrees to pay an income from the annuity at a later date. Annuities are meant to provide funds for retirement and are considered to be long term. (See Buyer's Guide)

Note: If the Owner is other than the annuitant, that Owner shall have control of the annuity contract issued.

- (i) Annuity premiums will be credited with interest at such rates as the Society determines based on the rate of return the Society earns from its overall investments. Interest will be compounded daily on all sums and added to the annuity value at least monthly.
- (ii) This is a participating plan: however, it is not expected that dividends will be paid on this certificate.
- (iii) The Annuity Value is the sum of premium payments made, plus interest credited, less any withdrawals. On each anniversary we will send you a statement of the Annuity Value.
- (iv) Annuity Value interest credits will be at the Guaranteed Interest Rate shown in the Certificate Schedule. Interest will be compounded daily on all sums and added to the Annuity Value at least monthly.
- (v) You may request a full surrender of the certificate, in writing, at any time before the Maturity Date. A full surrender will equal all premiums paid, less any previous withdrawals, plus any interest credited. We reserve the right to defer payment of any surrender value for six months.
- (vi) A partial surrender or withdrawal may be made at any time after the first Certificate Anniversary. The amount surrendered must be at least \$500 and may never reduce the Annuity Value to less than \$2,500.
- (vii) Amounts of \$5,000 or more which are payable under this certificate may be applied under any of the annuity payment options stipulated in the certificate. The monthly payment you receive will be determined by the Annuity Value on the Maturity Date

and the annuity option chosen. You may choose any annuity option offered or change the option by giving the Society written notice. If an option is not selected, the Society will make payments according to Life Income with 10 Years Certain. We may limit the election of an Annuity Payment Option to one that results in payments of at least \$100.

- (viii) Maturity date is age 100 of the Annuitant. This is the date when we begin annuity payments.
- (ix) If the Owner dies before the maturity date of this certificate, the Society will pay the Annuity Value, or the total premiums paid less surrenders, whichever is greater, to the beneficiary. The payment will be made when we receive satisfactory proof of the Owner's death.
- (x) Federal Income Tax on the taxable portion of the annuity proceeds will be deferred until the Owner or Annuitant draws funds from the annuity or on funds paid to a beneficiary. If taxable proceeds are withdrawn by the Owner prior to age 59 1/2, there may be a 10% Federal Excise tax payable on the taxable portion of funds withdrawn.
- (xi) Endorsements Added: For certificates issued in Montana
- (xii) Fees Charged: None
- (xiii) Guaranteed Minimum Interest rate for the Annuity is 1.00%. The guaranteed interest rate on the annuity contract will not change for the duration of the contract.
- (xiv) The current interest rate for the Annuity is 1.00%.