

HIGHLANDER 7™

Product Guide

Fixed Indexed Annuity

The Highlander 7 is a single premium deferred fixed indexed annuity that allows you to accumulate funds, benefit from tax deferral, all while maintaining a simplified allocation.

Issue Age

0-80

Premiums

- Minimum Qualified - \$5,000
- Minimum Non-Qualified - \$10,000
- Additional - \$5,000 Minimum (First contract year only)
- Maximum \$1,000,000

Fixed Account

- Fixed Rate – 1 Year Fixed Interest

A fixed interest account provides a fixed, guaranteed interest rate that is declared at the beginning of each annual interest term and will never be less than the guaranteed minimum interest rate shown in your contract.

Indexed Account Strategies

- S&P 500 – 1 year Point to Point with Cap
- S&P 500 – 1 year Point to Point with Participation Rate
- S&P MARC 5% - 1 year Point to Point with Participation Rate

Allocations and Reallocations

Subsequent Premiums in the 1st year are deposited in the 1 Year Fixed Strategy. They can be reallocated at the end of the Contract Year. Policyholder may switch between available strategies at the end of each Contract Year. Notice must be given within 10 days after the anniversary.

Surrender Charge

Surrender charge percentages apply to the Account Value (see below). Surrender Charges will not be allowed to reduce the Surrender Value below the MGCV.

Surrender Charge Schedule

Contract Year	1	2	3	4	5	6	7	8+
All States except CA*	9%	8%	7%	6%	5%	4%	3%	0%

Market Value Adjustment (MVA)

Any amounts that are assessed a surrender charge will also be subject to a MVA, which may increase or decrease the account value. The MVA generally increases the contract withdrawal value when interest rates rise. The MVA is not applied a) at the end of the surrender charge period; b) to free withdrawals; c) to the death benefit at death of any owner; or d) to any settlement option after the 5th contract year with the payments being made over at least 5 years. The MVA is not applicable in California or Florida.

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Death Benefit

All surrender charges are waived upon death of the Owner (or first Joint Owner)

Minimum Guaranteed Contract Value

The Minimum Guaranteed Contract Value (MGCV) is equal to 87.5% of premium, less withdrawals, accumulated at the Nonforfeiture Interest Rate.

Annuitization Options

If annuitization is after the end of policy year 5, the full account value may be applied to an annuitization option with payments over at least 5 years.

10% Annual Free Withdrawal

A single, penalty-free withdrawal of up to 10% of the account value may be taken beginning in the second contract year. Surrender charges and market value adjustment will be waived on any penalty-free amount withdrawn.

Amounts withdrawn in excess of 10% of the penalty-free amount will incur a surrender charge and market value adjustment, if applicable. Surrender charges on Internal Revenue Service (IRS) required minimum distributions (RMD) exceeding the penalty-free amount will be waived.

Nursing Home Care

This contract provides access to the full account value, without surrender charges and market value adjustment, should the owner become confined to a nursing home after the first contract anniversary. The contract must be issued prior to the owner's age 76 and confinement in a nursing home must be for 90 continuous days. Not available in MA.

Terminal Illness**

If the owner is diagnosed with a critical illness (heart attack, stroke, life threatening cancer) or is deemed terminally ill by a physician, the full account value may be accessed without surrender charges and market value adjustment. Eligibility is subject to rider provisions which are:

- Terminal illness – physician must certify that the owner's life expectancy is nine months or less.
- Critical illness – the contract must have been purchased prior to the owner's age of 70.

*In California, the surrender charge in the first year is 8.5%

**To meet the criteria for either of these riders, the contract must be in force for a minimum of one year. Some state variations apply.