



ASSURED LIFE
ASSOCIATION

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Annuity Disclosure Statement

Finish Line Annuity

INDIVIDUAL FLEXIBLE PREMIUM DEFERRED ANNUITY

Form FPDA2002, FPDA2002 (1/15), AZFPDA2002,
GAFPDA2002, IAFPDA2002, ILFPDA2002,
LAFPDA2002, MOFPDA2002, NEFPDA2002, NMFPDA2002, OKFPDA2002,
TNFPDA2002, TXFPDA2002, VAFPDA2002 & WIFPDA2002

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.

Description: An individual fixed flexible premium 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 an Owner other than the annuitant, purchases the annuity, that Owner shall have control of the annuity contract issued until ownership is transferred to the annuitant.

- (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. The interest rate in the first certificate year is guaranteed and is stipulated in the certificate schedule page of the annuity certificate. After the first certificate year, the rate will not be less than 2.50% per year for the first twenty five (25) years and 3.00% thereafter. Interest will be compounded daily on all sums and added to the annuity value at least monthly.
- (ii) On the first anniversary of the certificate date, and annually thereafter, the Owner of the annuity shall share in the divisible surplus accruing from participating certificates (non-guaranteed), as determined by Society Board of Directors and distributed as dividends.
- (iii) At the time annuity payments begin, if the Society's rates in effect for this type of certificate will provide a larger monthly payment, the Society will pay the larger amount. For determining fixed period option amounts, an annual effective rate of 2.5% is used. Life income option amounts are based on the Annuity 2000 Table with interest at 2.5%. Additional interest may be paid as determined by the Society. See the Annuity Buyer's Guide for a complete description of the periodic income options, also referred to as settlement options or income payment options.
- (iv) Withdrawals during the first year of the certificate are subject to a surrender charge of 9%; second year 8%; and thereafter decreasing by 1 % each year. There is no surrender charge after the 10th year. The surrender charge equals a percentage of the total annuity value withdrawn. A partial surrender or withdrawal may be made at any time after the first certificate anniversary. According to current Society practice, the amount surrendered may never

reduce the annuity value to less than \$500. This amount will not be subject to a surrender charge provided the amount withdrawn is not more than 10% of the annuity value in any given year.

- (v) 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 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.
- (vi) If the Annuitant dies before the maturity of this certificate, the Society will pay the annuity value, or the total premiums paid less surrenders, whichever is greater, to the beneficiary.
- (vii) Federal Income tax on the taxable portion of the annuity proceeds will be deferred until the Annuitant or Beneficiary 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.
- (viii) Endorsements Added (Form WSC2000): Waiver of Surrender Charges Benefit in which the Society will waive the surrender charges arising from a partial surrender or withdrawal from this certificate if the following occurs:
 - a. The Annuitant or the spouse of the Annuitant receives extended care as defined in the endorsement at least 45 days during any continuous 60 day period commencing at least one year after the certificate date of this certificate; and
 - b. The written request for a withdrawal, together with proof of such extended care, is mailed to the Society within 180 days of initial eligibility for this waiver.

The benefit will be limited to a withdrawal in the amount of \$150 per day for each day of extended care. According to current Society practice, the amount surrendered may never reduce the annuity value to less than \$500. Not available in all states.

- (ix) Fees Charged: None
- (x) The current interest rate for the Finish Line Annuity is 2.50% for all levels of annuity values.
 - a. **Notice: These rates are subject to change.**