

Nassau Life Insurance Company (the Company)

Please use these guidelines when submitting new business paperwork to ensure your client's contract is issued promptly and accurately.

Pre-Sale Training Requirements

- Product Training must be completed prior to solicitation.
- CE Suitability Course certificate and any additional training, if required by your license state, must be completed prior to solicitation.

Product training, applications and forms can be accessed by registering at www.salesnet.nsre.com.

Completing the Sale – All applicable forms must be completed, signed and dated when submitted.
Required:

- Fixed Annuity Application (all products)
- Suitability Questionnaire OL5294
- Product Disclosure Signature page
- Client Identification Verification OL4650

If Applicable:

- If exchange or replacement (IRA-Qualified not available at this time)
- 1035 Exchange OL2400N (original signature)*
 - Annuity Replacement Comparison OL5205
 - Authorization to Release Policy/Contract Information OL2689
 - Definition of Replacement OL2699
 - Important Notice Regarding Replacement/Change OL485NY
 - Sales Material list OL3164 (for NAIC replacements)
 - Trust Certification OL4132 (if owner is trust)
 - Power of Attorney or Conservator documentation
 - Redemption Request OL1862

*Check with Existing Carrier to determine if they require original signature, signature guarantee and/or medallion signature stamp.

Be sure to leave the following forms with your client

- Product Disclosure
- Any special forms required by your state
- Military Disclosure, if applicable
- Privacy Commitment
- Buyers Guide for Fixed Annuity
- Replacement documentation (applicable to your state)

Remember: Any corrections must be initialed and dated by the person making the correction.

Where to send paperwork: Forms may be emailed, faxed or mailed.

Email: annuity.newbusiness@nsre.com

Fax: 321.400.6317

Overnight:
Mailing:

Nassau Re Annuity Mail Operations
15 Tech Valley Dr., Suite 201, East Greenbush, NY 12061-4142

Nassau Re Annuity Mail Operations
PO Box 22012, Albany, NY 12201-2012

For help completing any of these forms, call us @ 800.417.4769 press option 2, option 1

For suitability questions, call 800.417.4769 press option 2, option 2

For assistance with marketing materials or illustrations, call 888.794.4447, option 1

Nassau Life Insurance Company (the Company)

Avoid Commission Delays: *If this is your first sale with the Company and you do not yet have a producer code, enter “pending” in the producer code field.*

Additional Information

Did you remember...	<ul style="list-style-type: none"> • to complete all of the sections, particularly all of the signatures and dates? • to provide date of birth or social security number for each beneficiary? • to provide a physical address (not a PO Box)? • to verify that the amount submitted with the application matches the amount on the application?
Product / Disclosures	<ul style="list-style-type: none"> • Disclosures need to be reviewed with client. • Signature page(s) must be signed and submitted with the application package.
1035 Exchange	<ul style="list-style-type: none"> • Some transfer companies require a wet signature and/or medallion signature guarantee; please check with existing carrier to determine its transfer requirements.
Rate Lock	<ul style="list-style-type: none"> • Current rates will be locked in as of the application signed date if the application is in good order. • The application, required forms must be received in good order within 5 business days of the application signature date to lock in rates or the current credited interest rate and indexed account rates then in effect will apply. • For 1035 exchanges, the current rates will be locked in as of the application signed date if all application requirements are resolved within 5 days of the application signed date and funds are received within 90 calendar days from the application signed date.

Save time and effort by using eApp, which will generate and pre-fill many of the required forms for you. Visit our website www.salesnet.nsre.com to access eApp. An eApp training guide is also available on the website.



Nassau Life Insurance Company (the Company)

Regular Mail: PO Box 22012, Albany, NY 12201-2012
 Express Mail: 15 Tech Valley Dr., Suite 201, East Greenbush, NY 12061-4142

Questions? 800.417.4769, option 2, option 1
 Email: annuity.newbusiness@nsre.com
 Fax: 321.400.6317

Print and use black ink. All changes should be initialed by Owner(s).

1. Product / Plan Type / Premium	
a. Initial Guarantee Period: <input type="checkbox"/> 5 Years	
b. Free Withdrawal Amount – Select ONE: <input type="checkbox"/> 0% <input type="checkbox"/> 10%	
If you select the 0% Free Withdrawal Amount you will receive a higher Guaranteed Interest Rate for the Initial Guarantee Period chosen in section 1a than you would receive if you select the 10% Free Withdrawal Amount. The selection of a 0% Free Withdrawal Amount may result in additional charges should you choose to withdraw funds before the end of your Initial Guarantee Period. Please review the product disclosure for details.	
c. Select a Non-Qualified Plan Non-Qualified <input type="checkbox"/> 1035 Exchange – submit form OL2400N <input type="checkbox"/> New Purchase	
d. Premium	Premium with Application \$ _____ Anticipated Transfer Premium \$ _____ <input type="checkbox"/> Personal Check <input type="checkbox"/> Financial Institution Check

2. Owner <input type="checkbox"/> Individual <input type="checkbox"/> Trust (non-qualified only) Trust must be for the benefit of the Annuitant.			
Individual – First Name	MI	Last Name	Date of Birth (mmddyyyy)
Street Address (no P. O. Box)		City	State ZIP Code
Social Security/Tax ID #	<input type="checkbox"/> Male <input type="checkbox"/> Female	Preferred Phone #	Relationship to Annuitant
Email Address			
Trust – Name (required if Owner is a Trust) – Must submit form OL4132, Certification and Acknowledgement of Trust			

3. Joint Owner (non-qualified only)			
First Name	MI	Last Name	Date of Birth (mmddyyyy)
Street Address (no P. O. Box)		City	State ZIP Code
Social Security/Tax ID #	<input type="checkbox"/> Male <input type="checkbox"/> Female	Preferred Phone #	Relationship to Owner <input type="checkbox"/> Spouse <input type="checkbox"/> Other: _____
Email Address		Relationship to Annuitant <input type="checkbox"/> Spouse <input type="checkbox"/> Other: _____	

4. Annuitant <input type="checkbox"/> Same as Owner The Owner and Annuitant must be the same for IRAs.				
First Name	MI	Last Name	Date of Birth (mmddyyyy)	
Street Address (no P. O. Box)		City	State	ZIP Code
Social Security/Tax ID #	<input type="checkbox"/> Male <input type="checkbox"/> Female	Preferred Phone #	Relationship to Owner <input type="checkbox"/> Spouse <input type="checkbox"/> Other: _____	
Email Address				

5. Joint Annuitant <input type="checkbox"/> Same as Joint Owner				
First Name	MI	Last Name	Date of Birth (mmddyyyy)	
Street Address (no P. O. Box)		City	State	ZIP Code
Social Security/Tax ID #	<input type="checkbox"/> Male <input type="checkbox"/> Female	Preferred Phone #	Relationship to Annuitant <input type="checkbox"/> Spouse <input type="checkbox"/> Other: _____	
Email Address				

6. Beneficiary Information

Do any of the beneficiaries reside outside of the U. S.? If yes, check here:

Rules

a. If Joint Owners:

- Unless otherwise specified below, the surviving Owner will be designated as the sole Primary Beneficiary, and any other beneficiaries listed below will be Contingent Beneficiaries.
- If the Joint Owners are spouses, in order to continue the contract after the death of the first Owner, the "Surviving Spouse" must be designated as the sole Primary Beneficiary.

b. If Trust Owned: The Trust will be designated as the Primary Beneficiary, unless a Primary Beneficiary is designated below.

c. Unless otherwise designated below, payments will be **shared equally** by all surviving Primary Beneficiaries, or if none, by all surviving Contingent Beneficiaries.

Beneficiary Type (Select one) <input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Beneficiary Name (First, MI, Last)	<input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Birth (mmddyyyy)
Allocation Percent _____ %	Street Address	City	State ZIP Code
<input type="checkbox"/> Trust Date:	Relationship to Owner <input type="checkbox"/> Spouse <input type="checkbox"/> Other:	Phone Number	Social Security/Tax ID #
Beneficiary Type (Select one) <input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Beneficiary Name (First, MI, Last)	<input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Birth (mmddyyyy)
Allocation Percent _____ %	Street Address	City	State ZIP Code
<input type="checkbox"/> Trust Date:	Relationship to Owner <input type="checkbox"/> Spouse <input type="checkbox"/> Other:	Phone Number	Social Security/Tax ID #
Beneficiary Type (Select one) <input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Beneficiary Name (First, MI, Last)	<input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Birth (mmddyyyy)
Allocation Percent _____ %	Street Address	City	State ZIP Code
<input type="checkbox"/> Trust Date:	Relationship to Owner <input type="checkbox"/> Spouse <input type="checkbox"/> Other:	Phone Number	Social Security/Tax ID #

7. Existing Coverage / Replacement

- Yes* No Are there any life insurance policies or annuity contracts owned by or on the life of the Owner/Annuitant?
- Yes* No Do you intend to replace any existing life insurance or annuity contract?
- Yes* No Internal Replacement? If Yes, submit form OL3136.

*** If Yes, all replacement forms required by your state must be submitted with the application.**

8. Owner / Annuitant Acknowledgements

- All of the statements and answers in this application are true and complete to the best of my knowledge.
- I understand that my application is subject to review under the Company's administrative suitability guidelines & rules.
- By accepting the issued annuity contract, I agree to any additions or corrections to this application. I also agree that a facsimile or imaged signature is as good as the original.

The contract applied for contains a Market Value Adjustment that may increase or decrease the values in the contract upon withdrawal or surrender, and contains a surrender charge that may decrease the values in the contract upon withdrawal or surrender prior to the end of the Surrender Charge Schedule period.

Owner / Trustee Signature	State signed in	Date signed (mmddyyyy)
Joint Owner / Trustee Signature	State signed in	Date signed (mmddyyyy)
Annuitant Signature	State signed in	Date signed (mmddyyyy)
Joint Annuitant Signature	State signed in	Date signed (mmddyyyy)

If signing on behalf of the applicant(s), you must indicate the capacity in which you are signing. We require documentation with this application that verifies you are authorized to act on behalf of the applicant(s).

<input type="checkbox"/> Conservator <input type="checkbox"/> Guardian <input type="checkbox"/> Power of Attorney	Name (First, MI, Last)
Signature	State signed in Date signed (mmddyyyy)

9. Producer Statements

- Yes* No Does the Owner/Annuitant have any existing life insurance policies or existing annuity contracts?
- Yes* No Will this annuity replace (in whole or in part) any existing life insurance policy or annuity contract?

*** If Yes, all replacement forms required by your state must be submitted with the application.**

By signing below, I certify and confirm:

- I have truly and accurately recorded on this application the information provided by the applicant(s); I am not aware of any discrepancies or misrepresentations in the recorded information.

Signature	Print Name			
Producer Code	Preferred Phone #	Email Address	Date signed (mmddyyyy)	Share %
Firm Name			Firm Phone #	

Split Commissions

Additional Producer – Signature			Additional Producer – Print Name	
Producer Code	Preferred Phone #	Email Address	Date signed (mmddyyyy)	Share %



Regular Mail: PO Box 22012, Albany, NY 12201-2012

Overnight Mail: 15 Tech Valley Drive, Suite 201, East Greenbush, NY 12061-4142

Section 1 - Owner Name

Owner (First, Middle, Last Name or Name of Trust)

Section 2 - USA PATRIOT Act Notice

To be read by or to Customer.

The USA PATRIOT Act requires insurance companies to obtain all relevant customer-related information necessary to establish an effective anti-money laundering program. In accordance with the USA PATRIOT ACT and the Company's anti-money laundering program, the Company will ask individuals for identifying information including their name, address, date of birth, including a driver's license or other government issued identification that will allow us to verify their identity.

Customer Identification Verification - In order to satisfy such obligations, we require our producer to review and verify a current government issued photo ID for each Insured/Annuitant/Owner associated with a policy or contract. Information on such identification must be recorded below.

Complete for each Insured/Annuitant/Owner. Information should be recorded EXACTLY as it appears on the identification reviewed. Use additional forms if necessary.

A. Identification Verification

Form with two columns for Insured/Annuitant/Owner and Joint Insured/Annuitant/Owner. Includes checkboxes for ID types (Driver's License, Resident Alien ID, Passport, Other) and fields for Name, Date of Birth, Street Address, City, State, ZIP Code, Number on ID, and Identification Expiration Date.

B. Additional Customer Information

Form with two columns for U.S. Citizen information. Includes checkboxes for Yes/No and fields for Occupation, Country of Citizenship, Country of Permanent Residence, Number of years in the U.S., and Visa Type.

Section 3 - Producer Statement

I certify that I personally met with the proposed Insured(s)/Annuitant(s)/Owner(s) and reviewed the above identification documents. To the best of my knowledge, it accurately reflects the identity of the proposed Insured(s)/Annuitant(s)/Owner(s).
I was unable to personally review the identification documents for the reason stated below. I certify that, to the best of my knowledge, the information provided by the Insured(s)/Annuitant(s)/Owner(s) is true and accurate.

Reason for not reviewing documents:

Table with 4 columns: Print Producer Name (First, Middle, Last), Producer ID #, Producer Signature, Date (mm/dd/yyyy)



This form will be rejected if any fields are left blank or whiteout is used. A new form will be required. Any changes made to this form require the owner's initials.

Owner Name	U.S. Citizen <input type="checkbox"/> Yes <input type="checkbox"/> No
Joint Owner Name	U.S. Citizen <input type="checkbox"/> Yes <input type="checkbox"/> No

Financial Assessment

1a. Approximate Annual Household Net Income: \$ _____

1b. Source of Income **(Check all that apply)**:
 Current Wages Pension Plan Social Security Investment Income Required Minimum Distribution (RMD)
 72 (t)/(q) Disability - Payment Duration _____ (yrs) Other, please explain: _____

1c. Approximate Household Net Worth: \$ _____ (Net Worth = Total Assets -Total Debt) **Do not include the value of any automobile or home.**

1d. Approximate Annual Household Expenses: \$ _____

1e. Do you anticipate any significant changes in your future income or liquidity need, net income, household expenses or net worth? Yes No
 If "YES," please explain: _____

1f. Federal Income Tax Bracket (Including income to be provided by this annuity):
 10% 12% 22% 24% 32% 35% 37%

1g. Please list the amount of liquid assets available to you after the purchase of this annuity:

Checking/Savings/Money Market \$ _____

Short term, penalty free CD's, penalty free mutual funds \$ _____

Stocks/Bonds/Brokerage Account \$ _____

Cash value of any life insurance or annuity outside of the surrender charge period..... \$ _____

Total \$ _____

Needs Assessment

2a. What are your financial objectives in purchasing this annuity? **(Check all that apply)**:
 Preservation of Principal* Death Benefit Potential for Growth Range of Annuity Payment Options
 Tax deferral of Growth** Minimum guaranteed rate of interest (at least 1%)
 *When applicable, surrender charges and negative Market Value Adjustment will reduce the principal returned if you surrender the annuity.
 ** Annuities do not provide additional tax deferral beyond what is provided by an IRA or tax qualified plans.

2b. Do you currently own or have you previously owned any of the following financial products? **(Check all that apply)**:
 Certificates of Deposit Fixed Annuity Variable Annuity Indexed Annuity
 Stocks/Bonds/Mutual Funds Life Insurance None

2c. Do you have Medical Insurance, a Medicare Supplement Policy, Long Term Care Policy, Veterans Benefits or other insurance policy that will cover medical expenses? Yes No
 If "YES," indicate name of company, benefit amount, benefit type and duration: _____

2d. How would you describe your general risk tolerance? **(Select only one)**: Low Risk Moderate Risk High Risk

2e. How many years from today will you need access to the premium for this annuity without penalty? **(Select only one)**:
 Less than 1 year 1 2 3 4 5 6 7 8 9 10 11 years or more

Needs Assessment – continued

- 2f. Do you expect to take any lump sum payments out of this annuity that will incur a penalty? Yes No
 If “YES,” please explain: _____
- 2g. Did your producer explain that if you withdraw more than the Free Withdrawal Amount outside the 30-day Window Period, your contract’s value will be subject to a surrender charge, if the withdrawal is taken during the surrender charge period, and a Market Value Adjustment, which could be negative or positive? Yes No

Source of Funds

- 3a. What is the source of premium for this annuity? **(Check all that apply):**
 Stocks/Bonds/Mutual Funds Certificate of Deposit Fixed Annuity Variable Annuity Indexed Annuity 401k
 Profit Sharing Plan Checking/Savings Life Insurance Pension Plan Death Proceeds Money Market
- 3b. Do you currently have a reverse mortgage? Yes No
 If “YES,” are you using proceeds from a reverse mortgage to fund this annuity? Yes No
- 3c. Is there a surrender charge, bonus recapture charge, loss of value, or any other penalty or fee associated with using the source(s) of funds listed above to purchase this annuity? Yes No

IF THIS IS A REPLACEMENT OF AN EXISTING LIFE INSURANCE OR ANNUITY CONTRACT, YOU MUST COMPLETE THE ANNUITY REPLACEMENT COMPARISON WORKSHEET – OL5205.

If source of funds is other than a replacement of an existing Life Insurance or Annuity Contract, you must complete the grid below:

Company	Source of Funds	Premium Amount	Penalty Amount	Penalty Percentage
		\$ _____	\$ _____	_____ %
		\$ _____	\$ _____	_____ %

General

- 4a. Do you or any proposed Owner, Annuitant or Covered Person currently reside in a hospital, hospice facility or nursing home or participate in any assisted living program? Yes No
- 4b. Have you or any proposed Owner, Annuitant or Covered Person been diagnosed with a terminal illness by a licensed medical professional or health care provider? Yes No
- 4c. Do you or any proposed Owner, Annuitant or Covered Person have any known indications of cognitive impairment or diminished capacity, such as dementia, Alzheimer’s disease, Parkinson’s disease or other neurological disorders? Yes No
- 4d. Have you or any proposed owner entered into, or is any Owner planning to enter into an arrangement with a third party to sell this annuity? Yes No
- 4e. Is the purchase of this annuity in any way connected to or based on information provided during the establishment of a trust? Yes No
 If “YES,” please explain: _____
- 4f. Do you have any existing life insurance policies or annuity contracts that were previously sold by the same producer? Yes No
 If “YES,” please explain: _____

Owner's Confirmation

PROPOSED OWNER(S): DO NOT SIGN THIS FORM IF ANY QUESTIONS HAVE BEEN LEFT BLANK, BEFORE YOU HAVE CAREFULLY REVIEWED THE INFORMATION RECORDED, OR IF ANY OF THE INFORMATION RECORDED IS NOT TRUE AND ACCURATE TO THE BEST OF YOUR KNOWLEDGE.

- 1. Was your decision to purchase this annuity based on your producer's recommendation? Yes No
- 2. I authorize my producer to communicate information related to this Annuity Application and Suitability Questionnaire to the Company on my behalf. Yes No

I acknowledge the information I provided on this form and any other information requested by my producer is true and accurate to the best of my knowledge. I further acknowledge that neither the Company nor its representatives offer legal, tax, or investment advice. I have been advised to consult my own personal attorney or tax advisor on any tax matters. **I acknowledge that the Fixed Annuity I am applying for is a long term contract with substantial penalties for early withdrawal.** I am aware that withdrawals taken from the annuity may result in a taxable event. **I understand that this contract provides a specific rate of interest and that rate may be no less than 1%.** Overall, I believe the annuity I am applying for is suitable according to my financial needs and/or objectives.

Owner's Signature

State Signed In

Date (mm/dd/yyyy)

Joint Owner's Signature

State Signed In

Date (mm/dd/yyyy)

Producer's Confirmation

- 1. Is the Owner or Annuitant an active duty service member of the United States Armed Forces, including reserves? Yes No
 If "YES," I have provided the Military Disclosure form OL5037 to my client.
- 2. Was the Owner's decision to purchase this annuity based on your recommendation? Yes No
- 3. How long have you known the proposed Owner?
 Less than 1 year 1-3 years 4-7 years 8-10 years 10 or more years
- 4. The basis for my recommendation to purchase the proposed annuity or to replace or exchange the proposed Owner(s) existing annuity(ies):

I (we) hereby attest to the following:

- (1) I have collected the client's suitability information as required under Regulation 187;
- (2) My recommendation to the client is based on my evaluation of the relevant suitability information provided by the client. My recommendation reflects the care, skill, prudence, and diligence that a prudent person acting in a like capacity and familiar with such matters would use under the circumstances then prevailing;
- (3) In my professional opinion: (a) the transaction is suitable for the client, based on the client's suitability information provided to me; (b) The client would benefit from certain features of the policy/contract being applied for; (c) the client has the financial ability to meet the financial commitments under the policy/contract; and (d) it is my belief that based on the information the Owner(s) provided to me and all the circumstances known to me at the time I recommended this annuity, that the annuity being applied for is suitable for the Owner(s) financial needs and objectives.

- (4) I have reasonably informed the client of various features of the contract/policy and potential consequences of the proposed transaction, both favorable and unfavorable;
- (5) I have disclosed to the client: (a) the manner in which I would be compensated for the proposed transaction and for servicing of the contract; (b) in a reasonable summary format, all relevant suitability considerations and product information, both favorable and unfavorable, that provide the basis for my recommendation; and (c) the basis for my recommendation of the proposed transaction, if applicable, and the facts and analysis to support that recommendation; and
- (6) Only the interests of the client were considered in making the recommendation and I have adequate knowledge to make the recommendation.

By signing below, I confirm the answers and information I have provided above. I further confirm that I have made a reasonable effort to obtain information from the Owner(s) concerning the Owner(s) financial status, investment objectives, investment experience, liquid assets, and other information required by the Company. I hereby represent that I have truly and accurately recorded on this Annuity Suitability Questionnaire the information supplied by the Owner(s). I have not included the value of the Owner(s) home(s) or vehicle(s) in the reported approximate household net worth, nor have I included the premium used to purchase this annuity in the reported liquid assets. I am not aware of any discrepancies or misrepresentations in the information recorded on this form.

Producer's Signature

Date (mm/dd/yyyy)

Second Producer's Signature

Date (mm/dd/yyyy)



Nassau Life and Annuity Company
 Nassau Life Insurance Company
 PHL Variable Insurance Company

Regular Mail: PO Box 22012
 Albany, NY 12201-2012
 Overnight Mail: 15 Tech Valley Drive, Suite 201
 East Greenbush, NY 12061-4142

**Annuity Replacement
 Comparison Worksheet**

This form will be rejected if any whiteout is used. A new form will be required. Any changes made to this form require the owner's initials.

Replacement Comparison – Please complete a separate form for any additional contracts being replaced.

Owner Name	Joint Owner Name
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Excluding the current replacement, have you replaced any other annuity contracts within the past 36 months (60 months in CA and MN)? Yes No If "YES", please explain: _____

Product Spec & Features	1st Replaced Contract	2nd Replaced Contract	Proposed Contract
Name of Company			
Type of Contract			
Product Name			
Contract Number			
Date of Issue			
Initial Premium/Deposit	\$ _____	\$ _____	\$ _____
Premium Bonus	_____ %	_____ %	_____ %
List any limitations or exclusions of bonus (bonus recapture charge or bonus vesting schedule)	Current year \$ _____ <input type="checkbox"/> N/A	Current year \$ _____ <input type="checkbox"/> N/A	<input type="checkbox"/> Yes - refer to product disclosure for details. <input type="checkbox"/> N/A
Current Accumulation Value	\$ _____	\$ _____	
Current Surrender Charge	\$ _____	\$ _____	
Market Value Adjustment	<input type="checkbox"/> Yes <input type="checkbox"/> No ____ + ____ - \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No ____ + ____ - \$ _____	Yes
Surrender Charge Schedule			
Penalty Free Withdrawal Percentage	_____ %	_____ %	_____ %
Annual Minimum Guaranteed Interest Rate			
Applicable caps, rates, spreads	Participation Rate _____ % Index Cap _____ % Fixed account Rate _____ % Index Spread _____ %	Participation Rate _____ % Index Cap _____ % Fixed account Rate _____ % Index Spread _____ %	Participation Rate _____ % Index Cap _____ % Fixed account Rate _____ % Index Spread _____ %
Credited Interest Rate/Guarantee Period (Fixed Annuity Only)	/	/	/
Applicable fees (e.g. administrative mortality, expense, Strategy fees)			
Writing Agent			

Rider Comparison			
Rider Spec & Features	1st Replaced Contract	2nd Replaced Contract	Proposed Contract
Does the current or proposed contract have an Income Rider? (Information provided for the payout % on the current contract should coincide with the response provided to question 2E within the Annuity Suitability Questionnaire)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Current Benefit Base \$ _____ Roll-Up _____ % Roll-Up Duration (yrs) _____ Payout _____ %	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Current Benefit Base \$ _____ Roll-Up _____ % Roll-Up Duration (yrs) _____ Payout _____ %	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Benefit Base \$ _____ Roll-Up _____ % Roll-Up Duration (yrs) _____ Payout _____ %
Does the rider require annuitization to activate?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Current Rider Fee Percentage	_____ %	_____ %	_____ %
Other riders attached to the contract (e.g. death benefit, care benefit)			

Comments

Signature	
Owner's Signature	Date (mm/dd/yyyy)
Joint Owner's Signature	Date (mm/dd/yyyy)
Producer's Signature	Date (mm/dd/yyyy)
Second Producer's Signature	Date (mm/dd/yyyy)



I certify that I only used insurer-approved sales material and that copies of all sales material, including presentations done electronically, were left with the applicant.

List form number(s) for all sales material used.

- | | |
|----------|-----------|
| 1. _____ | 6. _____ |
| 2. _____ | 7. _____ |
| 3. _____ | 8. _____ |
| 4. _____ | 9. _____ |
| 5. _____ | 10. _____ |

Print Client's Name

Plan of Insurance

Agent's Signature

Date

Additional Comments



This document provides instructions on how to successfully complete the Annuity Suitability Questionnaire form, which is required with all annuity new business applications. Please be sure that you understand the requirements and contents of the form. Any omissions will delay or halt the new business process and issuance of the contract will be delayed.

OWNER SECTION

- Owner(s) name and citizenship information is required.
- Joint Owners: If there are Joint Owners and they are NOT spouses or domestic partners, a separate questionnaire is required for each owner.
- Trust owned contracts:
 - If the trustee and the grantor are the same, the *Annuity Suitability Questionnaire* needs to be completed on this person.
 - If the trustee and grantor are NOT the same, the *Annuity Suitability Questionnaire* needs to be completed on the trust. Do NOT include the trustee's personal information.

FINANCIAL ASSESSMENT SECTION

The suitability review process requires that we fully understand the owner's *current* financial situation prior to this annuity purchase as well as their projected needs in the future.

- Approximate Annual Household Net Income should include income from all sources, including the income of a spouse or domestic partner.
- Significant changes in future income needs may include an upcoming retirement, loss of employment, divorce, medical expense planning, and housing. Be sure to indicate how the change will affect the owner's Approximate Annual Household Net Income (in dollars).
- The owner's Approximate Household Net Worth should never equal the liquid assets. The Approximate Household Net Worth should be at least equal to the owner's liquid assets plus the premium used to purchase this annuity plus any non-liquid assets.

NEEDS ASSESSMENT SECTION

Understanding the owner's reason for purchasing this annuity will help us ensure that an appropriate product recommendation is being made. Make sure to have an open discussion with the owner about when and how they expect to take distributions from this annuity.

- Make sure the owner has marked **all financial objectives that apply**.
- If electing an Income Rider, it is important to discuss when the owner plans to begin receiving payments. In **question 2e (2f for Florida)**, select the year in which the first payment will **most likely** begin. (Not applicable if the selected product does not offer Income Riders).
- Aside from the Income Rider, the owner has the ability to take additional withdrawals from the annuity, such as, Penalty Free Withdrawals, Required Minimum Distributions, and Lump Sum Distributions. It is important to discuss the impact these withdrawals will have on the Income Rider as well as penalties that may be incurred.



SOURCE OF FUNDS SECTION

Accurately identifying the source of funds is necessary to conduct an appropriate review and ensure the sale is suitable.

- “Checking/Savings” should not be selected if an investment or insurance product was recently cashed out and a personal check will be submitted.
- If the owner will incur a net loss due to an exchange or replacement of something other than an annuity or life insurance product, details are required. The dollar amount and percentages listed should include any unvested bonus or other decreases in value.
- If the source of funds is from another annuity or Life Insurance product that is being replaced (including a partial replacement), Nassau Re requires that the owner complete the Annuity Replacement Comparison Worksheet.

GENERAL SECTION

When completing this section, please note that the questions pertain to any proposed owner, annuitant or covered person(s). If any of the questions (4a, 4b, 4c, or 4d) are answered “Yes”, the application should not be completed or submitted.

OWNER CONFIRMATION SECTION

The owner must certify that the information provided on the form is accurate and also acknowledge certain important risks associated with the product. The goal is for both you and your client to have a mutual understanding of the product being purchased.

- The owner must answer all the questions and sign and date the questionnaire.
- Questionnaires that are not initialed, signed, and dated by the owner(s) will be considered “not in good order” and will not be reviewed.

PRODUCER CONFIRMATION SECTION

In this section, you are required to answer all the questions, provide additional information regarding your recommendation to purchase this product, and certify the accuracy of the information provided by your client.

- You must provide a written explanation supporting your decision to recommend the specific Nassau Re product and confirm that the annuity is suitable for your client’s financial needs and objectives by signing the questionnaire. The written explanation should be meaningful and specific. General statements such as “income,” “safety” or “fits needs” will not be accepted.
- If Nassau Re has any questions or comments regarding the application, a member of the Suitability Department will communicate with you via email.

Annuity Replacement Comparison Worksheet Guide



NASSAU RE

When the purchase of an annuity involves the exchange or replacement of an existing life insurance or annuity contract, gathering information about the existing contract is important in determining the suitability of the new purchase. There are many factors to consider when recommending the replacement of an existing life insurance or annuity contract. The first step is obtaining specific information about both products so that you can make an informed recommendation to your client.

For Annuity Exchanges and Replacements

GENERAL

- You are required to provide details of ANY exchange or replacement that occurred in the last 3 years (5 years in CA and MN) other than the current replacement being applied for.
- Keep in mind that the exchange or replacement of any product that is less than 3 years old (5 years in CA and MN) will be subject to a heightened review. These transactions must demonstrate substantial benefit to the client.
- A recent account statement is required if the contract being exchanged or replaced has been in force for less than 3 years (5 years for CA and MN).
- There may be situations that trigger a suitability analyst to contact you for additional information to assist us in making a decision. Please keep in mind that suitability determinations are based on each client's individual circumstances.
- Please note that even if your client surrenders an existing life insurance or annuity contract on their own, it is still considered a replacement.

PRODUCT SPEC & FEATURES COMPARISON

The producer must complete a side by side comparison of the contract being exchanged or replaced to the proposed Nassau Re contract. The purpose of this comparison is to show the advantages and disadvantages of exchanging or replacing the existing product.

- This section needs to be completed for any full or partial exchange or replacement.
- If the funds for the proposed Nassau Re contract are coming from penalty free withdrawals of an existing life insurance or annuity contract, this form is not required.
- Be sure to fill in each section of the worksheet. If an item is not applicable, indicate "N/A."

PRODUCT BASICS

- When providing the "Type of Contract" please indicate whether it is a fixed, indexed or variable product.
- The "Initial Premium/Deposit" represents the amount deposited when the contract was originally issued.

Product Spec & Features	1st Replaced Contract	2nd Replaced Contract	Proposed Contract
Name of Company			
Type of Contract			
Product Name			
Contract Number			
Date of Issue			
Initial Premium/Deposit	\$ _____	\$ _____	\$ _____

PREMIUM BONUS

- If the contract being exchanged or replaced contains a premium bonus, be sure to accurately describe and limitations or exclusions, including bonus recapture charges and vesting schedules.

Premium Bonus	_____ %	_____ %	_____ %
List any limitations or exclusions of bonus (bonus recapture charge or bonus vesting schedule)	Current year \$ _____ <input type="checkbox"/> N/A	Current year \$ _____ <input type="checkbox"/> N/A	<input type="checkbox"/> Yes - refer to product disclosure for details. <input type="checkbox"/> N/A

PRODUCT DETAILS

- The “Current Accumulation Value” represents the current policy value, prior to any positive or negative adjustments (such as interest, fees, withdrawals or other charges).
- The “Current Surrender Charge” represents the charge that your client will pay for surrendering the existing product. This amount should NOT include any bonus recapture charges, administrative fees, or market value adjustment (those must all be listed separately). If this purchase involves a partial exchange or replacement, please indicate the applicable surrender charge amount.
- When listing the Market Value Adjustment, please indicate whether the adjustment is positive or negative.
- The “Annual Minimum Guaranteed Interest Rate” on the current contract must be disclosed, even if the client is not currently allocated to the guaranteed interest account.
- You must provide the name of the writing agent on the contract being exchanged or replaced. If this information is not provided, the application will be considered “not in good order.”

Current Accumulation Value	\$ _____	\$ _____	
Current Surrender Charge	\$ _____	\$ _____	
Market Value Adjustment	<input type="checkbox"/> Yes <input type="checkbox"/> No ____ + ____ - \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No ____ + ____ - \$ _____	Yes
Surrender Charge Schedule			
Penalty Free Withdrawal Percentage	_____ %	_____ %	_____ %
Annual Minimum Guaranteed Interest Rate			
Applicable caps, rates, spreads	Participation Rate _____ % Index Cap _____ % Fixed account Rate _____ % Index Spread _____ %	Participation Rate _____ % Index Cap _____ % Fixed account Rate _____ % Index Spread _____ %	Participation Rate _____ % Index Cap _____ % Fixed account Rate _____ % Index Spread _____ %
Credited Interest Rate/Guarantee Period (Fixed Annuity Only)	/	/	/
Applicable fees (e.g. administrative mortality, expense, Strategy fees)			
Writing Agent			

*The specific rate percentage for each fund can be found on SalesNet by clicking on the rates link and then choosing the appropriate product.

RIDER DETAILS (IF APPLICABLE)

- If the contract being exchanged or replaced has any type of income or living benefit rider, you must provide the current benefit base, roll-up percentage and/or step-up and duration, as well as the payout percentage for the year in which your client anticipates starting income at Nassau Re. The payout percentage should coincide with the year selected on question 2e of the Annuity Suitability Questionnaire.
- If the client has to annuitize their existing contract in order to exercise the rider benefit described above, you must provide the copies of the contract pages showing the annuitization payout factors by age. Please make sure to include the life only and joint payout options.
- If the contract being exchanged or replaced has any other attached riders, please provide as much information on those riders as possible, including benefit amounts and fees.

Rider Spec & Features	1st Replaced Contract	2nd Replaced Contract	Proposed Contract
Does the current or proposed contract have an Income Rider? (Information provided for the payout % on the current contract should coincide with the response provided to question 2E within the Annuity Suitability Questionnaire)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Current Benefit Base \$ _____ Roll-Up _____ % Roll-Up Duration (yrs) _____ Payout _____ %	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Current Benefit Base \$ _____ Roll-Up _____ % Roll-Up Duration (yrs) _____ Payout _____ %	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Benefit Base \$ _____ Roll-Up _____ % Roll-Up Duration (yrs) _____ Payout _____ %
Does the rider require annuitization to activate?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Current Rider Fee Percentage	_____ %	_____ %	_____ %
Other riders attached to the contract (e.g. death benefit, care benefit)			

For Life Insurance Exchanges and Replacements

- A recent account statement is required along with a zero pay illustration.
- Not all sections of this form are required when exchanging or replacing an existing life insurance contract. Please make sure to complete the following sections:
 - Name of Company
 - Type of Contract (for example, whole life, universal life, term life, indexed life)
 - Contract Number
 - Date of Issue
 - Initial Premium Deposit
 - Current Accumulation Value
 - Current Surrender Charge
 - Surrender Charge Schedule (for all remaining years)
 - Income Rider Details, if applicable

Nassau MYAnnuitySM 5X

A Single Premium Individual Deferred Annuity with Market Value Adjustment

PURPOSE

Thank you for your interest in the Nassau MYAnnuitySM 5X, a single premium individual annuity with Market Value Adjustment issued by Nassau Life Insurance Company (Company). This annuity has a 5-year initial Guarantee Period and surrender charge schedule.

Please read this document carefully and discuss the product with your producer before making your purchasing decision. Once you have read this document, please sign and return the last page with your completed application. Retain this disclosure document for future reference.

The purpose of this disclosure document is to help you understand the important features, benefits, risks, and costs associated with this annuity. It is for educational purposes only and should not be construed as advice. The disclosure document does not change the terms of your annuity contract. If this disclosure document conflicts with the terms of your annuity contract, the terms of the annuity contract control.

PRODUCT OVERVIEW

Nassau MYAnnuitySM 5X offers a variety of features including:

- Guaranteed Interest Rate for each Guarantee Period
- Multiple annuity payment options
- A Market Value Adjustment that may enable us to offer higher Guaranteed Interest Rates than we could otherwise offer but that may reduce your Contract Value if you take withdrawals anytime except within 30 days of the end of a Guarantee Period.
- Several ways to access the value of your annuity. Depending on when you take a withdrawal from your annuity, charges and adjustments may apply and reduce the dollar amount of the withdrawal.

IS THIS ANNUITY RIGHT FOR YOU?

Annuities are designed for long-term financial planning and are not designed for short-term investments. You can access a portion of your Contract Value each Contract Year without a surrender charge or Market Value Adjustment. This portion is the Free Withdrawal Amount and is determined by the percentage, if any, you selected on your application. **If you expect to need more than this amount in a Contract Year, this annuity may not be appropriate for you, since higher withdrawals will incur charges and adjustments. Surrender charges can reduce the amount available for withdrawal below the premium you paid for the contract. Prior to the application of surrender charges, Market Value Adjustment can reduce the amount available for withdrawal, but not below a minimum amount we call the contract's guaranteed minimum account value.** At the start of a Guarantee Period, the guaranteed minimum account value is equal to the Contract Value. The guaranteed minimum account value grows at the Minimum Guaranteed Interest Rate, adjusted by withdrawals.

If you have questions about this annuity, please ask your producer, or contact a company representative at 1-800-541-0171, Option 1.

TABLE OF CONTENTS

Glossary of Important Terms	3
How Will the Value of Your Annuity Grow?	4
Can You Access Your Contract Value?	5
What Adjustments and Charges Will You Pay?	6
What Happens to Your Contract When You Die?	9
Taxes	9
What Else Do You Need to Know?	10
Signature Pages	12

One American Row, Hartford, CT 06102
Please visit us online at www.nsre.com

1-800-541-0171

GLOSSARY OF IMPORTANT TERMS

The following are some of the important terms used in this disclosure. Unless otherwise provided, the terms used in this disclosure statement have the same meaning as given to them in the contract. For a complete list of all terms, please see your contract.

Contract Anniversary is the same day and month as the Contract Issue Date of each year following the Contract Issue Date. If the day does not exist in a month, the last day of the month will be used.

Contract Maturity Date is the date elected by you when annuity payments will commence under an Annuity Payment Option. The Contract Maturity Date is shown on the Schedule Pages or as later changed, but cannot be earlier than the 13 months after the Contract Issue Date or later than the Maximum Contract Maturity Date.

Contract Value is the premium payment amount plus all interest credited, less any partial surrender amount (including any Market Value Adjustment and applicable surrender charges), prior to the Contract Maturity Date.

Cash Surrender Value is the amount you will receive if you surrender your contract. The amount is equal to your Contract Value, plus or minus the Market Value Adjustment, less any applicable surrender charges and taxes.

Free Withdrawal Amount is the portion of your Contract Value you may withdraw free of any Market Value Adjustment and applicable surrender charge prior to when you must annuitize the Contract Maturity Date. Depending on the option you chose at application, this amount may be zero.

Guarantee Period is the period of Contract Years for which interest accrues at the Guaranteed Interest Rate.

Guaranteed Interest Rate is the amount we will credit to the Contract Value for the duration of a Guarantee Period.

Guaranteed Minimum Accumulation Value (GMAV) is the premium, accumulated at the Guaranteed Minimum Interest Rate, less any withdrawals.

Market Value Adjustment (MVA) is a positive or negative change in the value you receive if you surrender your contract or take a withdrawal in excess of the Free Withdrawal Amount. The MVA is floored such that the return prior to application of surrender charges is no less than the GMAV.

Non-Qualified refers to an annuity contract that is not issued in connection with a qualified retirement plan or IRA.

Window Period is the 30-day period following the end of a Guarantee Period. Any surrender amounts during this period will not be subject to a Market Value Adjustment or a surrender charge.

You and your refer to the contract Owner(s).

HOW WILL THE VALUE OF YOUR ANNUITY GROW?

You purchase this annuity with a single premium payment. The amount of your premium payment, less any applicable tax, will grow through interest credited to your contract based on the Guarantee Periods you select. Interest is credited daily at an interest rate we set and guarantee for the length of the Guarantee Period (referred to as Guaranteed Interest Rate). We can change this interest rate for each new Guarantee Period.

What Types of Interest Rates Will I Receive?

There are two types of guaranteed interest rates under the contract:

- **Guaranteed Interest Rate** - During each Guarantee Period, we will credit the Guaranteed Interest Rate corresponding to the duration of the period you select. The initial Guaranteed Interest Rate shown on the Schedule Pages is locked in for the Guarantee Period you choose on your application for the contract. Thereafter, the Company can change the Guaranteed Interest Rate for future Guarantee Periods.
- **Minimum Guaranteed Interest Rate (MGIR)** – At all times during the life of the contract, we will credit at least the MGIR. The MGIR for your initial Guarantee Period is shown on the Schedule Pages of your contract. Your MGIR may change at the start of each Guarantee Period and will be no less than 1.00% and no greater than 3.00%. For future Guarantee Periods, we will never offer a Guaranteed Interest Rate less than the MGIR.

YOU SHOULD KNOW:

The Minimum Guaranteed Interest Rate could change at the beginning of each subsequent Guarantee Period, but will never fall below 1.00%.

If you choose to withdraw money from your annuity, a Market Value Adjustment and surrender charge may reduce or eliminate the interest credited to your contract as well as reduce the amount available upon surrender below your original premium payment. Please see the section entitled, "What Adjustments and Charges Will You Pay?" for further details.

What Are My Choices When My Guarantee Period Ends?

At least 30 days prior to each Contract Anniversary, you will be notified of the available Guarantee Periods and their applicable rates. You will have a 30-day Window Period after your current Guarantee Period ends to select one of three options:

- **Stay Where You Are** - If we are continuing to offer the length of Guarantee Period identical to the length of your contract's expired Guarantee Period, you may renew the contract for another Guarantee Period of that duration at the currently available Guaranteed Interest Rate. The new Guaranteed Interest Rate might not be the same rate of interest we applied to your Contract Value in the previous Guarantee Period, although the two Guarantee Periods are of the same duration. If that Guarantee Period is no longer available, we will apply your Contract Value to the next longest Guarantee Period that ends prior to the Maximum Contract Maturity Date.
IMPORTANT: This is the default option if you do not choose a new Guarantee Period by the end of the Window Period.
- **Pick a New Guarantee Period** - Choose a new Guarantee Period of a different length and associated Guaranteed Interest Rate from those then available. You may not select a Guarantee Period that would extend your contract beyond the Maximum Contract Maturity Date. So long as you have not reached your Maximum Contract Maturity Date, you will always have the option to renew into a new Guarantee Period.
- **Take a Withdrawal** - Surrender or withdraw any amount of the Contract Value without incurring a MVA or surrender charge. If you do not surrender the entire value, you should still evaluate whether or not you want to stay in the same Guarantee Period or pick a new one.

We may offer Guarantee Periods that differ from those available at the time your contract is issued and discontinue offering Guarantee Periods for future election at any time. Guarantee Periods may range in length from one to ten years. You may not select a Guarantee Period that would end after the Contract Anniversary following the date the oldest Owner reaches age 95. A Guarantee Period of 5 years or less will always be made available to you after you reach age 55 prior to your Maximum Contract Maturity Date.

YOU SHOULD KNOW:

You may only change the Guarantee Period for your contract within 30 days after your current Guarantee Period ends.

CAN YOU ACCESS YOUR CONTRACT VALUE?

Yes. You can withdraw money from your annuity at any time. However, withdrawing money from your annuity may result in payment of a MVA (negative or positive adjustment), surrender charge, and less future interest credited to your contract. In addition, withdrawing money can have income tax consequences. The money available from your annuity as a full surrender, as a death benefit, and on the Contract Maturity Date will never be less than a guaranteed amount described in your contract.

Are there any types of withdrawals that will never incur adjustments and charges?

Yes. There are two types of withdrawals that will never incur adjustments and charges:

- Free Withdrawals – An annual percentage of your Contract Value that you elect on your application.
- Withdrawals made during your 30-day Window Period.

Also, if you choose to apply your Contract Value to an Annuity Payment Option, neither a MVA nor surrender charge will apply.

Are there any types of withdrawals that will always incur adjustments and charges?

Yes. There are two types of withdrawals that will always incur MVA adjustments, and, during the initial Guarantee Period, will also incur surrender charges:

- Withdrawals in excess of your Free Withdrawal Amount outside of your Window Period.
- Withdrawals of your entire Contract Value outside of your Window Period, known as surrendering your contract.

YOU SHOULD KNOW:

There will be no interest credited on amounts withdrawn from your annuity once withdrawn, and a withdrawal may have tax consequences.

What does it mean to take annuity payments from your contract?

Your contract is designed to provide a stream of income payments that begin on the Contract Maturity Date. These payments are based on your Contract Value, less any applicable tax, on the Contract Maturity Date subject to minimums as required by state law.

You may elect to begin annuity payments as early as 13 months after the Contract Issue Date and they will begin no later than the Maximum Contract Maturity Date unless we agree otherwise.

Once your annuity payments begin, they will continue based on the Annuity Payment Option you select. The following is a current list of the contract's annuity payment options:

- Life Annuity with Specified Period Certain
- Non-Refund Life Annuity
- Joint and Survivorship Life Annuity
- Installment Refund Life Annuity
- Joint and Survivorship Life Annuity with 10 Year Period Certain
- Payments for a Specified Period Certain
- Payments of a Specified Amount

For a description of these options, please see your contract. We may offer other payment options or alternative versions of the options listed in the contract.

WHAT CHARGES AND ADJUSTMENTS WILL YOU PAY?

Surrender Charge

The surrender charge will only apply during the Initial Guarantee Period so it will apply for the length of the Guarantee Period you elect on your application for the contract. If you take a withdrawal in excess of the Free Withdrawal Amount or surrender your contract during the Surrender Charge Period, you will pay a surrender charge. Withdrawals will be adjusted by any Market Value Adjustment, which may be negative or positive, and reduced by any applicable surrender charges and taxes. The payment you will receive is the Net Withdrawal. A surrender charge may result in the loss of some or all of your previously earned interest and a partial loss of the premium you applied to the contract, or, principal.

Surrender

If you surrender your contract, your surrender charge is equal to your Contract Value in excess of any Free Withdrawal Amount multiplied by the appropriate surrender charge percentage shown in the table below.

Withdrawal in Excess of Free Withdrawal Amount

If you take a withdrawal in excess of the Free Withdrawal Amount, your surrender charge is equal to the amount of the excess withdrawn multiplied by the appropriate surrender charge percentage shown in the table below.

Complete Contract Year	0	1	2	3	4	5+
Surrender Charge %	7%	6%	5%	4%	3%	0%

EXAMPLE: Let's calculate your surrender charge, assuming the following:

- Your Contract Value is \$100,000
- You take a \$30,000 withdrawal during the 2nd Contract Year when your surrender charge percentage is 6%
- Your Free Withdrawal Amount is \$10,000
- Your MVA is \$0
- You have not taken any previous withdrawals

① Subtract the Free Withdrawal Amount from the amount of your withdrawal. $\$30,000 - \$10,000 =$ **\$20,000**

② Multiply the result from Step 1 by the surrender charge percentage to determine your surrender charge. $\$20,000 \times 6\% =$ **\$1,200**

\$1,200 = the surrender charge paid on a withdrawal in excess of your Free Withdrawal Amount

Note: This example DOES NOT include any MVA.

EXAMPLE: Let's calculate your surrender charge, assuming the following:

- Your Contract Value is \$100,000
- You surrender your contract during the 2nd Contract Year when your surrender charge percentage is 6%
- Your Free Withdrawal Amount is \$10,000
- Your MVA is \$0
- You have not taken any previous withdrawals

① Subtract the Free Withdrawal Amount from the amount of your withdrawal. $\$100,000 - \$10,000 =$ **\$90,000**

② Multiply the result from Step 1 by the surrender charge percentage to determine your surrender charge. $\$90,000 \times 6\% =$ **\$5,400**

\$5,400 = the surrender charge paid when you surrender your contract

Note: This example DOES NOT include any MVA.

Market Value Adjustment (MVA)

To compensate us for changes in market conditions, the contract contains a MVA that applies when you take a withdrawal before the end of a Guarantee Period. The MVA is an increase or decrease in the amount of money you receive when you take a withdrawal or surrender your contract. It applies any time you take a withdrawal in excess of the Free Withdrawal Amount or surrender your contract, except during the Window Period. The MVA is waived when death benefits are paid or when you take annuity payments from the Contract under an Annuity Payment Option. The MVA is applied in addition to any surrender charges.

In general, if interest rates are lower at the time of withdrawal than at the start of the Guarantee Period, the MVA will be positive, resulting in an increase to the dollar amount withdrawn. If interest rates are higher at the time of withdrawal than at the start of the Guarantee Period, the MVA will be negative, resulting in a decrease to the dollar amount withdrawn. In other words, a negative MVA would result in an additional charge to the withdrawal.

The amount of MVA is limited so that the return prior to application of surrender charges will never be less than the guaranteed minimum account value.

EXAMPLE: Let's review the impact of a negative MVA on your Cash Surrender Value, assuming the following:

- You surrender your contract 24 months before the end of the Guarantee Period
- Your Contract Value is \$130,000 and your Free Withdrawal Amount is \$13,000
- Your surrender charge is \$4,680
- Your Guaranteed Interest Rate is 3.00%, the current rate for a 2-Year Guarantee Period is 7.00%, and the adjustment factor is 0.25%
- Your Guaranteed Minimum Account Value (GMAV) is \$122,573

1 Determine your MVA multiplier according to your contract	$[(1+3.00%) / (1+ 7.00%+0.25%)]^{(24/12)} - 1 =$	-0.0777
2 Multiply your Contract Value less your Free Withdrawal Amount by the MVA multiplier in Step 1	$(\$130,000 - \$13,000) \times -0.0777 =$	-\$9,089
3 Adjust your Accumulation Value by your negative MVA	$\$130,000 + (-\$9,089) =$	\$120,911
4 Subtract your surrender charge from the resulting value in Step 3	$\$120,911 - \$4,680 =$	\$116,231
5 Subtract your surrender charge from the Guaranteed Minimum Account Value	$\$122,573 - \$4,680 =$	\$117,893

Your Cash Surrender Value is the greater of your Contract Value after charges and adjustments (Step 4) and your adjusted GMAV (Step 5).

Your Cash Surrender Value after the negative MVA = \$117,893

EXAMPLE: Let's review the impact of a negative MVA on your Cash Surrender Value, assuming the following:

- You surrender your contract 24 months before the end of the Guarantee Period
- Your Contract Value is \$130,000 and your Free Withdrawal Amount is \$13,000
- Your surrender charge is \$4,680
- Your Guaranteed Interest Rate is 3.00%, the current rate for a 2-Year Guarantee Period is 3.00%, and the adjustment factor is 0.25%
- Your Guaranteed Minimum Account Value (GMAV) is \$122,573

1	Determine your MVA multiplier according to your contract	$[(1+3.00%) / (1+ 3.00\%+0.25\%)]^{(24/12)} - 1 =$	-0.0048
2	Multiply your Contract Value less your Free Withdrawal Amount by the MVA multiplier in Step 1	$(\$130,000 - \$13,000) \times -0.0048 =$	-\$566
3	Adjust your Accumulation Value by your negative MVA	$\$130,000 + (-\$566) =$	\$129,434
4	Subtract your surrender charge from the resulting value in Step 3	$\$129,434 - \$4,680 =$	\$124,754
5	Subtract your surrender charge from the Guaranteed Minimum Account Value (GMAV)	$\$122,573 - \$4,680 =$	\$117,893

Your Cash Surrender Value is the greater of your Contract Value after charges and adjustments (Step 4) and your adjusted GMAV (Step 5).

Your Cash Surrender Value after the negative MVA = \$124,758

EXAMPLE: Let's review the impact of a positive MVA on your Cash Surrender Value, assuming the following:

- You surrender your contract 24 months before the end of the Guarantee Period
- Your Contract Value is \$130,000 and your Free Withdrawal Amount is \$13,000
- Your surrender charge is \$4,680
- Your Guaranteed Interest Rate is 3.00%, the current rate for a 2-Year Guarantee Period is 1.75%, and the adjustment factor is 0.25%
- Your Guaranteed Minimum Account Value (GMAV) is \$122,573
-

1	Determine your MVA multiplier according to your contract	$[(1+3.00%) / (1+ 1.75\%+0.25\%)]^{(24/12)} - 1 =$	0.0197
2	Multiply your Contract Value less your Free Withdrawal Amount by the MVA multiplier in Step 1	$(\$130,000 - \$13,000) \times 0.0197 =$	\$2,305
3	Adjust your Accumulation Value by your positive MVA	$\$130,000 + \$2,305 =$	\$132,305
4	Subtract your surrender charge from the resulting value in Step 3	$\$132,305 - \$4,680 =$	\$127,625
5	Subtract your surrender charge from the Guaranteed Minimum Account Value (GMAV)	$\$122,573 - \$4,680 =$	\$117,893

Your Cash Surrender Value is the greater of your Contract Value after charges and adjustments (Step 4) and your adjusted GMAV (Step 5).

Your Cash Surrender Value after the positive MVA = \$127,625

WHAT HAPPENS TO YOUR CONTRACT WHEN YOU DIE?

Death before the Contract Maturity Date

A death benefit will be payable in the event of the death prior to the Contract Maturity Date of a contract owner, or annuitant if the contract is owned by a trust. The death benefit will be paid following the date the Company receives a certified death certificate or an order of a court of competent jurisdiction. The death benefit is equal to the Contract Value as of the date of death. No MVA or surrender charge will apply.

Who receives the death benefit?

- *Single Owner* – The death benefit will be paid to the designated Beneficiary.
- *Joint Spousal Owners* – The death benefit will be paid to the surviving spousal Owner.
- *Multiple Owners* – The death benefit will be paid to any surviving Owner(s), who are deemed to be the Beneficiary(s).

Spousal Continuation Option

If the spouse of a deceased Owner is the sole designated beneficiary, the surviving spouse can continue the contract as the new Owner in lieu of receiving the death benefit.

Distribution at Death Requirements

The Internal Revenue Code imposes certain distribution at death requirements on non-qualified annuity contracts. These are described in your annuity contract and are based on the death of the owner unless the contract is owned by a trust. In general, if the Owner dies prior to the Contract Maturity Date, any remaining interest must be distributed within five years, unless (1) the spousal continuation option applies, or (2) the remaining interest is distributed over the designated beneficiary's life, or a period not extending beyond the designated beneficiary's life expectancy, and distributions commence within one year of the Owner's death. If the Owner is a trust, these after-death distribution requirements generally apply after the death of the Annuitant.

Death on or after the Contract Maturity Date

If the Owner dies on or after the Contract Maturity Date, any remaining annuity payments will be paid to the Beneficiary under the payment option in effect on the date of death. Payments may not be deferred or otherwise extended.

TAXES

The tax rules that apply to annuity contracts are complex. This disclosure document provides only a general description of certain tax aspects of the contract. This discussion is not intended to be comprehensive or address any particular owner's tax situation.

How is a non-qualified annuity contract taxed?

This contract is an annuity, as defined in the Internal Revenue Code. As long as your earnings remain in the annuity, they are not subject to federal or state income tax. All amounts paid-out or withdrawn, including death benefits, regardless of whether charges and adjustments are applied, are subject to federal and state income tax.

If you assign your contract or pledge it as collateral, it will be taxed as a withdrawal. The amount of this tax will depend on the nature of the payment as well as the amount of the payment that represents contract gain. In general, subject to certain special rules, the amount received in a partial withdrawal prior to the Contract Maturity Date is includible in gross income to the extent of any gain in the contract, the amount received in a full surrender of the contract is includible in gross income only to the extent that it exceeds the remaining after-tax investment in the contract (or cost basis), and a portion of each annuity payment is excluded from gross income

as determined using an exclusion ratio. The portion of the payment from a non-qualified contract that is considered taxable earnings also may be subject to the 3.8% additional tax on net investment income, which impacts higher income taxpayers. Also, the Internal Revenue Code imposes an additional tax equal to 10% of the taxable portion of the amount received unless the Owner has attained age 59½ or an exception applies.

Subject to certain requirements and limitations, you might be able to exchange part or all of your contract tax-free prior to the Contract Maturity Date for another non-qualified annuity contract or a qualified long-term care insurance contract. However, the amount exchanged is treated like a withdrawal or surrender, and could be subject to a MVA, surrender charge, and premium tax.

A premium tax may be deducted when you take a withdrawal, when you surrender your contract, or on the Contract Maturity Date, where required by law.

WHAT ELSE DO YOU NEED TO KNOW?

Free Look/Right to Return

You have the right to return this contract within a certain period of time for a refund of your premium payment, less any withdrawals. The exact number of days will be included on your contract cover page.

Replacements

If you are purchasing this annuity to replace an annuity you currently own, compare the two products carefully. The benefits and guarantees offered by the two annuities may be different. You should also verify if you will be paying a penalty to surrender your existing annuity. You should know that you will begin a new Surrender Charge Period when you purchase this annuity. If you cancel this annuity during the right to return period, the prior carrier is generally not required to reinstate your old annuity. Replacing your contract could result in adverse tax consequences, so you should consult with your tax professional.

Contracts Vary By State of Issue

This is a summary of product features and options, which may vary by state. If this disclosure document conflicts with the terms of the contract, the terms of the contract prevail. Please consult the contract and your producer for details, restrictions, terms and conditions that may apply.

Community Property

If the Owner resides in a community property or marital property state and has not named his or her spouse as the sole beneficiary, the spouse may need to consent to the non-spouse beneficiary designation. The owner should consult with legal counsel regarding this designation. Should spousal consent be required, we are not liable for any consequences resulting from the failure of the owner to obtain proper consent.

Your Producer and Compensation We Pay

This annuity is being sold to you by an independent insurance producer, not an employee or agent of Nassau Life Insurance Company. This individual is appointed to sell our annuities and may also be appointed to sell for other insurance companies. An independent insurance producer has no authority to vary the terms of the contract or any other disclosure document. We compensate the person or firm for selling this annuity to you. They may receive more compensation for selling this annuity contract than for selling other annuity contracts. In addition to cash compensation that a producer earns for selling this contract, subject to applicable law, we may also provide the producer training, marketing materials, services, and certain non-cash items for the sale of this contract that may not be associated with sales of other products.

Contract Guarantees

Any guarantees under the contract are paid from our General Account. Therefore, any amounts that we may pay under the contract as part of a guarantee are subject to our long-term ability to make such payments.

The Insurance Company

Your contract is issued by the Company. Guarantees under the contract is based on the claims-paying ability of the Company. Useful information about the Company's financial strength may be found on our website, www.nsre.com, located under "About" along with information on ratings assigned to us by one or more independent rating organizations.

Disclaimer

Nassau MYAnnuitySM is a Single Premium Individual Deferred Annuity (Contract form number 17IMGA).

Nassau Life Insurance Company does not provide individual tax, financial or investment advice or act as a fiduciary in the sale or service of its insurance contracts. Please consult your personal tax or financial advisor for assistance.

The annuities:

- are **NOT** insured by the FDIC, NCUSIF, or any other state or federal agency that insures.
- are subject to a MVA and surrender charges that could result in possible loss of premium applied to this annuity, or, principal.
- are **NOT** securities and are not subject to registration with the Securities and Exchange Commission (“SEC”).

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Nassau MYAnnuitySM 5X

Please SIGN THIS PAGE of the disclosure and retain it for your records.

I. Owner(s) Acknowledgements

- I have received this Fixed Annuity Disclosure Document and retained a copy.
- I have received the appropriate Buyer's Guide to Fixed Deferred Annuities and retained a copy.
- I understand that this annuity provides a Free Withdrawal Amount, but that a Market Value Adjustment and surrender charge may be applied to withdrawals and surrenders.
- I understand that the Free Withdrawal Amount chosen at the time of application will be in place for the life of the contract and cannot be changed.
- I understand that if I do not choose to surrender my contract, elect a new Guarantee Period or renew into the same Guarantee Period by the end of the Window Period, my Contract Value will be applied to the same length Guarantee Period as the one that just ended or, if the same length Guarantee Period is no longer available, the next longest Guarantee Period that ends prior to the Maximum Contract Maturity Date.
- I have reviewed the information in this disclosure document with my producer. I have had an opportunity to ask questions and receive answers about anything I did not understand.

Owner Name (please print)

Owner Signature

Date (mm/dd/yyyy)

Joint Owner Name (please print, if applicable)

Joint Owner Signature (if applicable)

Date (mm/dd/yyyy)

II. Producer Acknowledgement

- I have provided a copy of this Fixed Annuity Disclosure Document to the Owner(s).
- I have reviewed the financial situation and objectives of the Owner(s) and all information required by the Annuity Suitability Questionnaire and am recommending the purchase of this annuity.
- I have provided a copy of the appropriate Buyer's Guide to Fixed Deferred Annuities to the Owner(s).
- I have not made any statements that differ from what is stated in this disclosure document nor have I made any promises about the expected future values or performance of this annuity.

Producer Name

Producer Code

Producer Signature

Date (mm/dd/yyyy)

LEAVE WITH OWNER(S)

THIS PAGE IS INTENTIONALLY LEFT BLANK

Nassau MYAnnuitySM 5X

Please SIGN and RETURN THIS PAGE of the disclosure along with the completed application.

I. Owner(s) Acknowledgements

- I have received this Fixed Annuity Disclosure Document and retained a copy.
- I have received the appropriate Buyer’s Guide to Fixed Deferred Annuities and retained a copy.
- I understand that this annuity provides a Free Withdrawal Amount, but that a Market Value Adjustment and surrender charge may be applied to withdrawals and surrenders.
- I understand that the Free Withdrawal Amount chosen at the time of application will be in place for the life of the contract and cannot be changed.
- I understand that if I do not choose to surrender my contract, elect a new Guarantee Period or renew into the same Guarantee Period by the end of the Window Period, my Contract Value will be applied to the same length Guarantee Period as the one that just ended or, if the same length Guarantee Period is no longer available, the next longest Guarantee Period that ends prior to the Maximum Contract Maturity Date.
- I have reviewed the information in this disclosure document with my producer. I have had an opportunity to ask questions and receive answers about anything I did not understand.

Owner Name (please print)

Owner Signature

Date (mm/dd/yyyy)

Joint Owner Name (please print, if applicable)

Joint Owner Signature (if applicable)

Date (mm/dd/yyyy)

II. Producer Acknowledgement

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- I have reviewed the financial situation and objectives of the Owner(s) and all information required by the Annuity Suitability Questionnaire and am recommending the purchase of this annuity.
- I have provided a copy of the appropriate Buyer’s Guide to Fixed Deferred Annuities to the Owner(s).
- I have not made any statements that differ from what is stated in this disclosure document nor have I made any promises about the expected future values or performance of this annuity.

Producer Name

Producer Code

Producer Signature

Date (mm/dd/yyyy)

RETURN WITH APPLICATION

Buyer's Guide for Deferred Annuities

Fixed



Prepared by the

NAIC

National Association of Insurance Commissioners

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various insurance departments to coordinate insurance laws for the benefit of all consumers.

This guide does not endorse any company or policy.

NAIC Buyer's Guide for Fixed Deferred Annuities

It's important that you understand how annuities can be different from each other so you can choose the type of annuity that's best for you. The purpose of this Buyer's Guide is to help you do that. This Buyer's Guide isn't meant to offer legal, financial, or tax advice. You may want to consult independent advisors that specialize in these areas.

This Buyer's Guide is about fixed deferred annuities in general and some of their most common features. It's not about any particular annuity product. The annuity you select may have unique features this Guide doesn't describe. It's important for you to carefully read the material you're given or ask your annuity salesperson, especially if you're interested in a particular annuity or specific annuity features.

This Buyer's Guide includes questions you should ask the insurance company or the annuity salesperson (the agent, producer, broker, or advisor). Be sure you're satisfied with the answers before you buy an annuity.

Revised 2013

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Table of Contents

What Is an Annuity?	1
When Annuities Start to Make Income Payments	1
How Deferred Annuities Are Alike	1
How Deferred Annuities Are Different	2
How Does the Value of a Deferred Annuity Change?	3
Fixed Annuities	3
Fixed Indexed Annuities	3
What Other Information Should You Consider?	4
Fees, Charges, and Adjustments	4
How Annuities Make Payments	4
How Annuities Are Taxed	5
Finding an Annuity That's Right for You	6
Questions You Should Ask	6
When You Receive Your Annuity Contract	7

What Is an Annuity?

An annuity is a contract with an insurance company. All annuities have one feature in common, and it makes annuities different from other financial products. *With an annuity, the insurance company promises to pay you income on a regular basis for a period of time you choose*—including the rest of your life.

When Annuities Start to Make Income Payments

Some annuities begin paying income to you soon after you buy it (an **immediate** annuity). Others begin at some later date you choose (a **deferred** annuity).

How Deferred Annuities Are Alike

There are ways that *most* deferred annuities are alike.

- They have an **accumulation** period and a **payout** period. During the accumulation period, the value of your annuity changes based on the type of annuity. During the payout period, the annuity makes income payments to you.
- They offer a basic death benefit. If you die during the accumulation period, a deferred annuity with a basic death benefit pays some or all of the annuity's value to your survivors (called beneficiaries) either in one payment or multiple payments over time. The amount is usually the greater of the annuity account value or the minimum guaranteed surrender value. If you die after you begin to receive income payments (**annuitize**), your chosen survivors may not receive anything *unless*: 1) your annuity guarantees to pay out at least as much as you paid into the annuity, or 2) you chose a payout option that continues to make payments after your death. For an extra cost, you may be able to choose enhanced death benefits that increase the value of the basic death benefit.

Sources of Information

Contract: *The legal document between you and the insurance company that binds both of you to the terms of the agreement.*

Disclosure: *A document that describes the key features of your annuity, including what is guaranteed and what isn't, and your annuity's fees and charges. If you buy a variable annuity, you'll receive a prospectus that includes detailed information about investment objectives, risks, charges, and expenses.*

Illustration: *A personalized document that shows how your annuity features might work. Ask what is guaranteed and what isn't and what assumptions were made to create the illustration.*

- You usually have to pay a charge (called a **surrender** or **withdrawal charge**) if you take some or all of your money out too early (usually before a set time period ends). Some annuities may not charge if you withdraw small amounts (for example, 10% or less of the account value) each year.
- Any money your annuity earns is **tax deferred**. That means you won't pay income tax on earnings until you take them out of the annuity.
- You can add features (called **riders**) to many annuities, usually at an extra cost.
- An annuity salesperson must be licensed by your state insurance department. A person selling a variable annuity also must be registered with FINRA¹ as a representative of a broker/dealer that's a FINRA member. In some states, the state securities department also must license a person selling a variable annuity.

1. FINRA (Financial Industry Regulatory Authority) regulates the companies and salespeople who sell variable annuities.

- Insurance companies sell annuities. You want to buy from an insurance company that's financially sound. There are various ways you can research an insurance company's financial strength. You can visit the insurance company's website or ask your annuity salesperson for more information. You also can review an insurance company's rating from an independent rating agency. Four main firms currently rate insurance companies. They are A.M. Best Company, Standard and Poor's Corporation, Moody's Investors Service, and Fitch Ratings. Your insurance department may have more information about insurance companies. An easy way to find contact information for your insurance department is to visit www.naic.org and click on "States and Jurisdictions Map."
- Insurance companies usually pay the annuity salesperson after the sale, but the payment doesn't reduce the amount you pay into the annuity. You can ask your salesperson how they earn money from the sale.

How Deferred Annuities Are Different

There are differences among deferred annuities. Some of the differences are:

- Whether you pay for the annuity with one or more than one payment (called a **premium**).
- The types and amounts of the **fees, charges, and adjustments**. While almost all annuities have *some* fees and charges that could reduce your account value, the types and amounts can be different among annuities. *Read the Fees, Charges, and Adjustments section in this Buyer's Guide for more information.*
- Whether the annuity is a **fixed** annuity or a **variable** annuity. How the value of an annuity changes is different depending on whether the annuity is fixed or variable.

Fixed annuities guarantee your money will earn at least a minimum interest rate. Fixed annuities may earn interest at a rate higher than the minimum but only the minimum rate is guaranteed. The insurance company sets the rates.

Fixed indexed annuities are a type of fixed annuity that earns interest based on changes in a market index, which measures how the market or part of the market performs. The interest rate is guaranteed to never be less than zero, even if the market goes down.

Variable annuities earn investment returns based on the performance of the investment portfolios, known as "subaccounts," where you choose to put your money. The return earned in a variable annuity isn't guaranteed. The value of the subaccounts you choose could go up or down. If they go up, you could make money. But, if the value of these subaccounts goes down, you could lose money. Also, income payments to you could be less than you expected.

- Some annuities offer a **premium bonus**, which usually is a lump sum amount the insurance company adds to your annuity when you buy it or when you add money. It's usually a set percentage of the amount you put into the annuity. Other annuities offer an **interest bonus**, which is an amount the insurance company adds to your annuity when you earn interest. It's usually a set percentage of the interest earned. You may not be able to withdraw some or all of your premium bonus for a set period of time. *Also, you could lose the bonus if you take some or all of the money out of your annuity within a set period of time.*

How Does the Value of a Deferred Annuity Change?

Fixed Annuities

Money in a fixed deferred annuity earns interest at a rate the insurer sets. The rate is **fixed** (won't change) for some period, usually a year. After that rate period ends, the insurance company will set another fixed interest rate for the next rate period. *That rate could be higher or lower than the earlier rate.*

Fixed deferred annuities *do* have a guaranteed minimum interest rate—the lowest rate the annuity can earn. It's stated in your contract and disclosure and can't change as long as you own the annuity. Ask about:

- The *initial interest* rate – What is the rate? How long until it will change?
- The *renewal interest* rate – When will it be announced? How will the insurance company tell you what the new rate will be?

Fixed Indexed Annuities

Money in a fixed indexed annuity earns interest based on changes in an index. Some indexes are measures of how the overall financial markets perform (such as the S&P 500 Index or Dow Jones Industrial Average) during a set period of time (called the **index term**). Others measure how a specific financial market performs (such as the Nasdaq) during the term. The insurance company uses a formula to determine how a change in the index affects the amount of interest to add to your annuity at the *end of each index term*. Once interest is added to your annuity for an index term, those earnings usually are locked in and changes in the index in the next index term don't affect them. If you take money from an indexed annuity before an index term ends, *the annuity may not add all of the index-linked interest for that term to your account.*

Insurance companies use different formulas to calculate the interest to add to your annuity. They look at changes in the index over a period of time. See the box "*Fixed Deferred Indexed Formulas*" that describes how changes in an index are used to calculate interest.

The formulas insurance companies use often mean that interest added to your annuity is based on only *part* of a change in an index over a set period of time. **Participation rates, cap rates, and spread rates** (sometimes called margin or asset fees) all are terms that describe ways the amount of interest added to your annuity may not reflect the full change in the index. But *if the index goes down over that period, zero interest is added to your annuity.* Then your annuity value won't go down as long as you don't withdraw the money.

When you buy an indexed annuity, you aren't investing directly in the market or the index. Some indexed annuities offer you more than one index choice. Many indexed annuities also offer the choice to put part of your money in a fixed interest rate account, with a rate that won't change for a set period.

Fixed Deferred Indexed Formulas

Annual Point-to-Point – Change in index calculated using two dates one year apart.

Multi-Year Point-to-Point – Change in index calculated using two dates more than one year apart.

Monthly or Daily Averaging – Change in index calculated using multiple dates (one day of every month for monthly averaging, every day the market is open for daily averaging). The average of these values is compared with the index value at the start of the index term.

Monthly Point-to-Point – Change in index calculated for each month during the index term. Each monthly change is limited to the "cap rate" for positive changes, but not when the change is negative. At the end of the index term, all monthly changes (positive and negative) are added. If the result is positive, interest is added to the annuity. If the result is negative or zero, no interest (0%) is added.

What Other Information Should You Consider?

Fees, Charges, and Adjustments

Fees and charges reduce the value of your annuity. They help cover the insurer's costs to sell and manage the annuity and pay benefits. The insurer may subtract these costs directly from your annuity's value. Most annuities have fees and charges but they can be different for different annuities. Read the contract and disclosure or prospectus carefully and ask the annuity salesperson to describe these costs.

A **surrender or withdrawal charge** is a charge if you take part or all of the money out of your annuity during a set period of time. The charge is a percentage of the amount you take out of the annuity. The percentage usually goes down each year until the surrender charge period ends. Look at the contract and the disclosure or prospectus for details about the charge. Also look for any waivers for events (such as a death) or the right to take out a small amount (usually up to 10%) each year without paying the charge. If you take all of your money out of an annuity, you've surrendered it and no longer have any right to future income payments.

How Insurers Determine Indexed Interest

Participation Rate – Determines how much of the increase in the index is used to calculate index-linked interest. A participation rate usually is for a set period. The period can be from one year to the entire term. Some companies guarantee the rate can never be lower (higher) than a set minimum (maximum). Participation rates are often less than 100%, particularly when there's no cap rate.

Cap Rate – Typically, the maximum rate of interest the annuity will earn during the index term. Some annuities guarantee that the cap rate will never be lower (higher) than a set minimum (maximum). Companies often use a cap rate, especially if the participation rate is 100%.

Spread Rate – A set percentage the insurer subtracts from any change in the index. Also called a "margin or asset fee." Companies may use this instead of or in addition to a participation or cap rate.

Some annuities have a **Market Value Adjustment (MVA)**. An MVA could increase or decrease your annuity's account value, cash surrender value, and/or death benefit value if you withdraw money from your account. In general, if interest rates are *lower* when you withdraw money than they were when you bought the annuity, the MVA could *increase* the amount you could take from your annuity. If interest rates are *higher* than when you bought the annuity, the MVA could *reduce* the amount you could take from your annuity. Every MVA calculation is different. Check your contract and disclosure or prospectus for details.

How Annuities Make Payments

Annuitize

At some future time, you can choose to **annuitize** your annuity and start to receive guaranteed fixed income payments for life or a period of time you choose. After payments begin, you can't take any other money out of the annuity. You also usually can't change the amount of your payments. For more information, see "*Payout Options*" in this Buyer's Guide. If you die before the payment period ends, your survivors may not receive any payments, depending on the payout option you choose.

Full Withdrawal

You can withdraw the cash surrender value of the annuity in a lump sum payment and end your annuity. *You'll likely pay a charge to do this if it's during the surrender charge period.* If you withdraw your annuity's cash surrender value, your annuity is cancelled. Once that happens, you can't start or continue to receive regular income payments from the annuity.

Partial Withdrawal

You may be able to withdraw *some* of the money from the annuity's cash surrender value without ending the annuity. Most annuities with surrender charges let you take out a certain amount (usually up to 10%) each year without paying surrender charges on that amount. Check your contract and disclosure or prospectus. Ask your annuity salesperson about other ways you can take money from the annuity without paying charges.

Living Benefits for Fixed Annuities

Some fixed annuities, especially fixed indexed annuities, offer a **guaranteed living benefits** rider, usually at an extra cost. A common type is called a guaranteed lifetime withdrawal benefit that guarantees to make income payments you can't outlive. While you get payments, the money still in your annuity continues to earn interest. You can choose to stop and restart the payments or you might be able to take extra money from your annuity. Even if the payments reduce the annuity's value to zero at some point, you'll continue to get payments for the rest of your life. If you die while receiving payments, your survivors may get some or all of the money left in your annuity.

How Annuities Are Taxed

Ask a tax professional about your individual situation. The information below is general and should not be considered tax advice.

Current federal law gives annuities special tax treatment. Income tax on annuities is deferred. That means you aren't taxed on any interest or investment returns while your money is in the annuity. This isn't the same as tax-free. You'll pay ordinary income tax when you take a withdrawal, receive an income stream, or receive each annuity payment. When you die, your survivors will typically owe income taxes on any death benefit they receive from an annuity.

There are other ways to save that offer tax advantages, including Individual Retirement Accounts (IRAs). You can buy an annuity to fund an IRA, *but you also can fund your IRA other ways and get the same tax advantages.* When you take a withdrawal or receive payments, you'll pay ordinary income tax on all of the money you receive (not just the interest or the investment return). You also may have to pay a 10% tax penalty if you withdraw money before you're age 59½.

Annuity Fees and Charges

Contract fee – A flat dollar amount or percentage charged once or annually.

Percentage of purchase payment – A front-end sales load or other charge deducted from each premium paid. The percentage may vary over time.

Premium tax – A tax some states charge on annuities. The insurer may subtract the amount of the tax when you pay your premium, when you withdraw your contract value, when you start to receive income payments, or when it pays a death benefit to your beneficiary.

Transaction fee – A charge for certain transactions, such as transfers or withdrawals.

Payout Options

You'll have a choice about how to receive income payments. These choices usually include:

- For your lifetime
- For the longer of your lifetime or your spouse's lifetime
- For a set time period
- For the longer of your lifetime or a set time period

Finding an Annuity That's Right for You

An annuity salesperson who suggests an annuity must choose one that they think is right for you, based on information from you. They need complete information about your life and financial situation to make a suitable recommendation. Expect a salesperson to ask about your age; your financial situation (assets, debts, income, tax status, how you plan to pay for the annuity); your tolerance for risk; your financial objectives and experience; your family circumstances; and how you plan to use the annuity. If you aren't comfortable with the annuity, ask your annuity salesperson to explain why they recommended it. Don't buy an annuity you don't understand or that doesn't seem right for you.

Within each annuity, the insurer *may* guarantee some values but not others. Some guarantees may be only for a year or less while others could be longer. Ask about risks and decide if you can accept them. For example, it's possible you won't get all of your money back *or* the return on your annuity may be lower than you expected. It's also possible you won't be able to withdraw money you need from your annuity without paying fees *or* the annuity payments may not be as much as you need to reach your goals. These risks vary with the type of annuity you buy. All product guarantees depend on the insurance company's financial strength and claims-paying ability.

Questions You Should Ask

- Do I understand the risks of an annuity? Am I comfortable with them?
- How will this annuity help me meet my overall financial objectives and time horizon?
- Will I use the annuity for a long-term goal such as retirement? If so, how could I achieve that goal if the income from the annuity isn't as much as I expected it to be?
- What features and benefits in the annuity, other than tax deferral, make it appropriate for me?
- Does my annuity offer a guaranteed minimum interest rate? If so, what is it?
- If the annuity includes riders, do I understand how they work?
- Am I taking full advantage of all of my other tax-deferred opportunities, such as 401(k)s, 403(b)s, and IRAs?
- Do I understand all of the annuity's fees, charges, and adjustments?
- Is there a limit on how much I can take out of my annuity each year without paying a surrender charge? Is there a limit on the *total* amount I can withdraw during the surrender charge period?
- Do I intend to keep my money in the annuity long enough to avoid paying any surrender charges?
- Have I consulted a tax advisor and/or considered how buying an annuity will affect my tax liability?
- How do I make sure my chosen survivors (beneficiaries) will receive any payment from my annuity if I die?

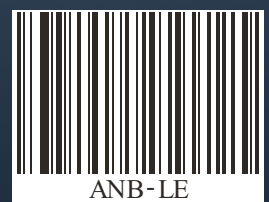
If you don't know the answers or have other questions, ask your annuity salesperson for help.

When You Receive Your Annuity Contract

When you receive your annuity contract, carefully review it. Be sure it matches your understanding. Also, read the disclosure or prospectus and other materials from the insurance company. Ask your annuity salesperson to explain anything you don't understand. In many states, a law gives you a set number of days (usually 10 to 30 days) to change your mind about buying an annuity after you receive it. This often is called a **free look** or **right to return** period. Your contract and disclosure or prospectus should prominently state your free look period. If you decide during that time that you don't want the annuity, you can contact the insurance company and return the contract. Depending on the state, you'll either get back all of your money or your current account value.

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This Privacy Statement is provided on behalf of Nassau Life Insurance Company, PHL Variable Insurance Company, and Nassau Life and Annuity Company (“The Company,” “we,” “our,” “us”).

The Company respects your concerns about privacy and values the relationship we have with you. This Privacy Statement describes the types of information we collect about you, how we use the information, with whom we share it, the choices available to you regarding our use of the information, and how you can contact us about our privacy practices.

1. What Information Does This Privacy Statement Apply to?

This Privacy Statement applies to the collection, use, and disclosure of information from and about you by The Company in order to offer you products and services, determine whether you qualify for our products and services, and administer your account. This Privacy Statement also applies to the collection, use, and disclosure of information from and about you by The Company on our website (www.nsre.com), through our mobile application, through telephone communications, email communications, joint marketing agreements, and through agreements with nonaffiliated third parties.

2. What Information Does The Company Collect?

We may obtain information about you when you choose to provide it to us and when we collect it from third parties.

Information that You or Others Provide

You may choose to provide information to us in a number of ways, such as when you request a quote, apply for a policy, sign up for promotions or newsletters, purchase our products, register on our website, post or provide content, or otherwise interact with us. The types of information you may provide to us include:

- Information we receive from you on applications or other forms or in order to provide you with a quote or illustration (such as name, address, city, state, ZIP code, email address, telephone number, birth date, household information, marital status, information about beneficiaries, and education);
- Information about your transactions and relationships with us, our affiliated companies, and others (such as products or services purchased, account balances, your policy coverage, premiums, and payment history). Financial and payment information (such as social security number, net worth, assets, income, payment card number, expiration date, account number, and billing address);

- Medical information (such as information about your health status or condition, payment for health care, etc.);
- Product preferences, advertisement preferences, and other information about how you use our website;
- Content you submit or post on our website (such as photographs, videos, reviews, articles, comments, or any other information you provide to us or post);
- Employment information;
- Records and copies of your correspondence (including email addresses), if you contact us.

We also may collect information about you from third parties, such as:

- Information we receive from a consumer reporting agency (such as information about your creditworthiness and credit history);
- Information we receive from third parties in order to issue and service your policies (such as motor vehicle reports and medical information);
- Information we receive from third party social media sites.

Investigative Consumer Reports

In some cases, we may request an independent reporting agency to prepare an investigative consumer report which contains information related to your personal characteristics, finances, general reputation, character, and mode of living. Information obtained primarily through personal interviews with friends, neighbors or associates. You have the right to be interviewed in connection with the preparation of such a report. Upon written request, a complete disclosure of the nature and scope of such a report, if one is made, will be provided as well as the name, address and phone number of the reporting agency so that you may request a copy of your report. If the information in a consumer report leads us to not approve your application or to charge an extra premium we will notify you and provide the reporting agency's name, address and phone number. We will never use the information we receive from an investigative consumer

report for marketing purposes. You should be aware that when an independent consumer reporting agency prepares such a report, they may keep it and disclose it to other companies upon request.

Medical Information Bureau

We treat information regarding your insurability as confidential. The Company, or its reinsurers may, however, make a brief report thereon to MIB, Inc., formerly known as Medical Information Bureau, a not for profit membership organization of insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB member company for life or health insurance coverage, or a claim for benefits is submitted to such company, MIB, upon request, will supply such company with the information in its file.

Upon receipt of a request from you, MIB will provide you with any information MIB has in your file. You may contact MIB at 866-692-6901 (TTY 866-346-3642). If you question the accuracy of the information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the federal Fair Credit Reporting Act. The address of MIB's information office is 50 Braintree Hill Park, Suite 400, Braintree, MA 02184-8734.

If you have questions or you wish to have a more detailed explanation or copies of the information we collect, please contact your producer or write to The Company directly. Write to: Nassau Re, Chief Underwriter, PO Box 22012, Albany, NY 12201-2012.

3. How Does The Company Use My Information?

We may use your information for the following purposes:

- offering you products and services, deciding if you qualify for our products and services, and servicing your account;
- establishing and verifying the identity and eligibility of website users;
- opening, maintaining, administering, managing, and servicing website user profiles, accounts or memberships;
- processing, servicing or enforcing transactions (including EFT, ACH, credit or debit card transactions);
- providing products, content, content suggestions, services, and support;
- conducting special events, sweepstakes, surveys, programs, contests, and other offers (and communicating with you about such events);
- analyzing and improving our products, services, or website (including developing new products and services;

improving safety; managing our communications; analyzing our products; performing market research; performing data analytics; and performing accounting, auditing and other internal functions);

- providing users with product, service, or company updates;
- marketing and advertising our products or services as well as products and services of third parties (such as affiliates, subsidiaries, and business partners);
- responding to your inquiries or comments, or contacting you as necessary;
- operating and communicating with you about or through external social networking platforms;
- maintaining the security and integrity of our systems, including maintaining internal records;
- conforming to legal requirements or industry standards, complying with legal process, detecting and preventing fraud or misuse, defending our legal rights, or protecting others;
- as part of a merger, acquisition, bankruptcy, transfer, sale, corporate change, or any other transaction involving all or a portion of The Company's assets.

All information we collect may be aggregated and merged or enhanced with data from third party sources.

4. How Does The Company Share My Information?

We may disclose all of the information we collect (including your nonpublic personal financial information), as described in Section 2 above, to both affiliated and non-affiliated third parties, such as:

- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements;
- To financial services providers, such as life insurers, automobile insurers, mortgage bankers, securities broker-dealers, and insurance agents. We may also make such disclosures to an insurance institution, agent, insurance support organization, or self-insurer without your prior authorization, but only for purposes of (i) detecting or preventing fraud or other criminal activity; (ii) allowing the recipient to perform its function in connection with our insurance transactions; or (iii) as otherwise permitted by law;
- To a group policyholder for reporting claims experience or for audit purposes;

- To a medical care institution or medical professional for purposes of verifying your insurance coverage or benefits, to inform someone of a medical condition of which that person might not be aware, or for conducting and operations or services audit to verify the individuals treated by the medical professional or at the medical care institution;
- To non-financial companies, such as retailers, direct marketers, airlines, and publishers;
- To third parties who help us with our business functions, such as service providers or suppliers. Examples of these service providers include entities that process credit card and other types of payments, help us moderate content posted on the Website, provide web hosting or analytics services, or who assist with marketing functions;
- To third parties involved in servicing and administering products and services on your behalf such as:
 - Your agent, broker or producer;
 - Banks;
 - Reinsurance companies;
 - Firms that assist us in the servicing of your policies;
 - Firms that assist in the printing or delivering of statements and notices;
- To other third parties for their own marketing purposes;
- To third parties for specific purposes permitted by law, such as:
 - If necessary to protect the safety, property, or other rights of us, our customers, or employees;
 - To comply with any court order, law, or legal process, including to respond to any government or regulatory request, or as otherwise required by law;
 - To State or federal regulators;
 - To auditors;
 - To law enforcement or another governmental authority for purposes of preventing or prosecuting fraud, or to report activities we reasonably believe are illegal;
 - With your consent in certain circumstances;

We may disclose information about our customers and our former customers to these third parties for the purposes described above.

We reserve the right to transfer information we have about you in the event we sell, transfer, or engage in another transaction involving all or a portion of our business or assets, or undertake another form of corporate change, including

bankruptcy. Following such a sale, transfer, or transaction, or corporate change, you may contact the entity to which we transferred your information with any inquiries concerning the processing of that information.

Your information may be stored in databases maintained by The Company (including local storage) or third parties, and may be disclosed to third parties for the purposes stated in this Privacy Statement, that are located within and outside the United States, including countries where privacy rules differ and may be less stringent than those of the country in which you reside.

5. Is My Information Secure?

The Company will take reasonable precautions to protect your information from loss, misuse or alteration. For example, we have procedures in place that limit internal access to personal information to only those employees who need to access it in order to perform business services or market products on behalf of The Company and our affiliates. We educate our employees on the importance of protecting the privacy and security of your information. We also maintain physical, electronic and procedural safeguards that comply with federal and state regulations to guard your personal information.

Please be aware, however, that any email or other transmission you send through the Internet cannot be completely protected against unauthorized interception. As a result, we ask that you not send any confidential information to The Company via e-mail.

6. What Choices Do I Have?

If you prefer that we not disclose nonpublic personal financial information about you to nonaffiliated third parties, you may opt out of those disclosures, that is, you may direct us not to make those disclosures (other than disclosures permitted by law). If you wish to opt out of disclosures to nonaffiliated third parties, you may opt out by sending us an email request to opt out to corporate.compliance@nsre.com or by calling us at 1-800-813-8180. Note that you can only opt out of sharing your nonpublic personal financial information with nonaffiliated third parties for certain purposes; you cannot opt out of sharing such information with nonaffiliated third parties who are service providers to us, who engage in joint marketing efforts with us, who assist us with processing and servicing transactions, or as otherwise permitted by law.

You may also “opt-out,” or unsubscribe, from our newsletters, special offers or discounts, or other marketing communications by following the unsubscribe instructions in any e-mail or other communication you receive from us. After doing so, you will not receive future promotional emails unless you open a new account, enter a contest, or sign up to receive newsletters or emails. Please note that even after unsubscribing we may still disclose information as permitted or required by law including, but not limited to, service related announcements, important information about your policy, state required notices, and other non-marketing communications about your account or purchases that you have made. Please allow up to 2 weeks for us to process your request.

You may access personal information we have recorded about you by submitting a written request which reasonably describes the information requested. This information will be provided to you within thirty (30) business days from the date your written request is received so long as it is reasonably locatable and retrievable by us. You may also request the correction, amendment or deletion of any recorded personal information that we have in our possession. We will notify you of our decision to comply with your request or our reasons for refusal within thirty (30) business days from the date your written request is received. In the event we refuse your request, you will be provided with the opportunity to file a concise statement setting forth what you believe to be the correct, relevant or fair information and the reasons you may disagree with our determination.

We store data for as long as it is necessary to provide the products and services described in this Privacy Statement and for our internal business purposes. If you would like us to delete information, you may contact us using the information below and we will take reasonable efforts to delete your information from our records, but may need to keep a copy for administrative purposes (such as documenting that a transaction occurred).

This policy is meant for general use in every state. Any provision in this policy that is in conflict with the laws of your state is hereby amended to conform with the standards in your state.

Residents of California, New Mexico, Vermont:

We will not disclose personal information about you to any unaffiliated third party without first obtaining your affirmative, opt-in consent, except as expressly permitted by law.

7. How Can I Contact The Company?

The Company is committed to working with you to obtain a fair and rapid resolution of any queries, complaints, or disputes about privacy. If you have submitted information to The Company and you would like to have it deleted from our databases or corrected, or if you have any other questions or comments regarding our privacy practices, please email us at corporate.compliance@nsre.com for more information.



Nassau Life Insurance Company (the Company) PO Box 22012, Albany, NY 12201-2012

Name of Replaced Insurer: (If multiple carriers, use separate forms.)

Mailing Address:

Telephone Number: Fax Number (if available):

The individual listed below is contemplating a replacement of your individual life policy or annuity contract in favor of life insurance policy or annuity contract that may be issued by the Company.

According to replacement regulation in the state of New York you are required to provide information necessary for completion of the disclosure statement within 20 days of receipt of this form.

Authorization Disclosure

In accordance with New York State Department of Financial Services Regulation No. 60, please furnish, directly to the Company at the address shown above, the information needed to complete the New York State Disclosure Statement. New York insurance companies are required to complete the New York State Disclosure Statement within 20 calendar days. If the Company does not receive the disclosure information from you within 20 calendar days, an approximation will be completed.

This information should be sent to the Agent or Broker and to the address indicated below:

Producer select one:

Mail to:

Nassau Re Mail Operation PO Box 22012 Albany, NY 12201-2012 [] Annuity [] Life

Insurance Producer Information

Name: Address: Phone:

AUTHORIZATION TO RELEASE INFORMATION:

I hereby request the release of information for the policy(ies) or contract(s) listed below to the Company.

Table with 3 columns: Insured(s), Policy Number, Annuity. Includes checkboxes for Annuity.

Owner Signature: Date Signed:

Please print name: Date Mailed to Existing Insurer:

Sales Office:



(Check one) Life Annuity

Nassau Life Insurance Company

Regular Mail: PO Box 22012, Albany, NY 12201-2012

Express Mail: 15 Tech Valley Dr., Suite 201, East Greenbush, NY 12061-4142

DEFINITION OF REPLACEMENT

DEPARTMENT OF FINANCIAL SERVICES OF THE STATE OF NEW YORK DEFINITION OF REPLACEMENT

IN ORDER TO DETERMINE WHETHER YOU ARE REPLACING OR OTHERWISE CHANGING THE STATUS OF EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS, AND IN ORDER TO RECEIVE THE VALUABLE INFORMATION NECESSARY TO MAKE A CAREFUL COMPARISON IF YOU ARE CONTEMPLATING REPLACEMENT, THE AGENT IS REQUIRED TO ASK YOU THE FOLLOWING QUESTIONS AND EXPLAIN ANY ITEMS THAT YOU DO NOT UNDERSTAND.

AS PART OF YOUR PURCHASE OF A NEW LIFE INSURANCE POLICY OR A NEW ANNUITY CONTRACT, HAS EXISTING COVERAGE BEEN, OR IS IT LIKELY TO BE:

1. LAPSED, SURRENDERED, PARTIALLY SURRENDERED, FORFEITED, ASSIGNED TO THE INSURER REPLACING THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT, OR OTHERWISE TERMINATED?
 YES NO
2. CHANGED OR MODIFIED INTO PAID-UP INSURANCE; CONTINUED AS EXTENDED TERM INSURANCE OR UNDER ANOTHER FORM OF NONFORFEITURE BENEFIT; OR OTHERWISE REDUCED IN VALUE BY THE USE OF NONFORFEITURE BENEFITS, DIVIDEND ACCUMULATIONS, DIVIDEND CASH VALUES OR OTHER CASH VALUES?
 YES NO
3. CHANGED OR MODIFIED SO AS TO EFFECT A REDUCTION EITHER IN THE AMOUNT OF THE EXISTING LIFE INSURANCE OR ANNUITY BENEFIT OR IN THE PERIOD OF TIME THE EXISTING LIFE INSURANCE OR ANNUITY BENEFIT WILL CONTINUE IN FORCE?
 YES NO
4. REISSUED WITH A REDUCTION IN AMOUNT SUCH THAT ANY CASH VALUES ARE RELEASED, INCLUDING ALL TRANSACTIONS WHEREIN AN AMOUNT OF DIVIDEND ACCUMULATIONS OR PAID-UP ADDITIONS IS TO BE RELEASED ON ONE OR MORE OF THE EXISTING POLICIES?
 YES NO
5. ASSIGNED AS COLLATERAL FOR A LOAN OR MADE SUBJECT TO BORROWING OR WITHDRAWAL OF ANY PORTION OF THE LOAN VALUE, INCLUDING ALL TRANSACTIONS WHEREIN ANY AMOUNT OF DIVIDEND ACCUMULATIONS OR PAID-UP ADDITIONS IS TO BE BORROWED OR WITHDRAWN ON ONE OR MORE EXISTING POLICIES?
 YES NO
6. CONTINUED WITH A STOPPAGE OF PREMIUM PAYMENTS OR REDUCTION IN THE AMOUNT OF PREMIUM PAID?
 YES NO

IF YOU HAVE ANSWERED YES TO ANY OF THE ABOVE QUESTIONS, A REPLACEMENT AS DEFINED BY NEW YORK INSURANCE REGULATION NO. 60 HAS OCCURRED OR IS LIKELY TO OCCUR AND YOUR AGENT IS REQUIRED TO PROVIDE YOU WITH THE **IMPORTANT** NOTICE REGARDING REPLACEMENT OR CHANGE OF LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS. YOU WILL ALSO RECEIVE A COMPLETED DISCLOSURE STATEMENT NO LATER THAN THE TIME YOUR NEW POLICY OR NEW CONTRACT IS DELIVERED.

Date: _____ Signature of Applicant: _____

Date: _____ Signature of Applicant: _____

TO THE BEST OF MY KNOWLEDGE, A REPLACEMENT IS INVOLVED IN THIS TRANSACTION: YES NO

Date: _____ Signature of Agent or Broker: _____



WHAT IS REGULATION 60?

Regulation 60 (“Reg 60”) is consumer protection law adopted by the New York Department of Financial Services relating to replacements of existing life insurance and annuity contracts. Reg 60 prescribes specific producer and insurer responsibilities intended to ensure that consumers have a comprehensive picture and clear understanding of any potential replacement transactions. It applies to new life insurance or annuities that are purchased and delivered in New York or issued elsewhere for delivery in New York.

WHAT IS THE PURPOSE OF THE REGULATION?

Life insurance and annuity contracts can be complex vehicles. Reg 60 helps protect consumers by making sure they understand why they’re replacing a policy and how the new policy compares to the old one. It requires insurers and producers to provide specific information, certain projections and side-by-side comparisons and disclosure to consumers so they have full and clear information on which to base an informed decision.

WHAT IS THE PURPOSE OF THIS GUIDE?

As a New York insurer, it is Nassau Life Insurance Company’s responsibility to provide producers with information and training on their Reg 60 responsibilities when doing business in New York.

WHAT IS DEEMED A REPLACEMENT?

Reg 60 contains the following definition:

Replacement of a life insurance policy or an annuity contract means that new life insurance or new annuities are to be purchased and delivered or issued for delivery in New York and it is known to the department licensee that, as part of the transaction, existing life insurance policies or annuity contracts have been or are likely to be:

- lapsed, surrendered, partially surrendered, forfeited, assigned to the insurer replacing the life insurance policy or annuity contract, or otherwise terminated;
- changed or modified into paid-up insurance; continued as extended term insurance or under another form of nonforfeiture benefit; or otherwise reduced in value by the use of nonforfeiture benefits, dividend accumulations, dividend cash values or other cash values;
- changed or modified so as to effect a reduction either in the amount of the existing life insurance or annuity benefit or in the period of time the existing life insurance or annuity benefit will continue in force;



- reissued with a reduction in amount such that any cash values are released, including all transactions wherein an amount of dividend accumulations or paid-up additions is to be released on one or more of the existing policies;
- assigned as collateral for a loan or made subject to borrowing or withdrawal of any portion of the loan value, including all transactions wherein any amount of dividend accumulations or paid-up additions is to be borrowed or withdrawn on one or more existing policies; or
- continued with a stoppage of premium payments or reduction in the amount of premium paid.

WHAT ARE YOUR RESPONSIBILITIES?

Reg 60 states that each insurance producer shall:

- obtain with or as part of each application a completed “Definition of Replacement Form” and signed by the applicant and the agent or broker and leave a copy of such form with the applicant for the applicant’s records;
- submit to the insurer along with each application a signed and completed “Definition of Replacement”; and
- where a replacement has occurred or is likely to occur:
 - (1) obtain with or as part of each application a list of all existing life insurance policies or annuity contracts proposed to be replaced;
 - (2) notify the insurer that issued the policy or contract that is being replaced and the insurer replacing the life insurance policy or annuity contract of the proposed replacement;
 - (3) submit to the insurer that issued the policy or contract that is being replaced a list of all life insurance policies or annuity contracts proposed to be replaced, as well as the policy or contract number for such policies or contracts, together with the proper authorization from the applicant, and request the information necessary to complete the “Disclosure Statement” with respect to the life insurance policy or annuity contract proposed to be replaced. In the event that the insurer who has issued the coverage that is being replaced fails to provide the information in the prescribed time, the agent or broker replacing the life insurance policy or annuity contract may use, and the insurer replacing the life insurance policy or annuity contract shall review and may accept, good faith approximations based on the information available;



- (4) present to the applicant, not later than at the time the applicant signs the application, the “IMPORTANT Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts” and leave a copy of such form with the applicant for the applicant’s records;
- (5) have the applicant acknowledge that the “IMPORTANT Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts” has been received and read;
- (6) submit with the application to the insurer replacing the life insurance policy or annuity contract: a list of all life insurance policies or annuity contracts proposed to be replaced; a copy of the sales material, including the proposal used in the sale of the life insurance policy or annuity contract; and proof of receipt by the applicant of the “IMPORTANT Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts” and
- (7) prior to the delivery of the life insurance policy or annuity contract, submit to the insurer replacing the life insurance policy or annuity contract an accurate and complete “Disclosure Statement” signed by the producer. The statement shall specify the primary reasons for recommending the new life insurance policy or annuity.

WHAT ELSE YOU SHOULD KNOW?

Nassau Life Insurance Company does not encourage or condone any systematic or deliberate replacement of existing life insurance policies and/or annuity contracts as a sales practice or business methodology. Frequent policy replacement is not in the consumer’s best interest. However, replacements in certain situations may be appropriate.

QUESTIONS?

Please call our Annuity New Business Department at 1-800-417-4769

Nassau Life Insurance Company does not provide legal advice. If you have legal questions regarding your compliance with this regulation, you should consult with your attorney.

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DEPARTMENT OF FINANCIAL SERVICES OF THE STATE OF NEW YORK
IMPORTANT NOTICE REGARDING REPLACEMENT OR CHANGE OF LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS

THIS NOTICE IS FOR YOUR BENEFIT AND REQUIRED BY 11 NYCRR PART 51 (INSURANCE REGULATION 60)

YOU ARE CONTEMPLATING THE PURCHASE OF A LIFE INSURANCE POLICY OR ANNUITY CONTRACT IN CONNECTION WITH THE SURRENDER, LAPSE OR CHANGE OF EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS. THE AGENT OR BROKER IS REQUIRED TO GIVE YOU THIS NOTICE. A SIGNED DISCLOSURE STATEMENT WILL ALSO BE PROVIDED TO YOU CONTAINING THE SUMMARY RESULT COMPARISON FOR THE NEW LIFE INSURANCE POLICY OR ANNUITY CONTRACT AND ANY LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS TO BE CHANGED THAT SETS FORTH THE FACTS OF THE TRANSACTION AND ITS ADVANTAGES AND DISADVANTAGES TO YOU. YOUR DECISION COULD BE A GOOD ONE - OR A MISTAKE - SO MAKE SURE YOU UNDERSTAND THE FACTS. YOU SHOULD:

1. CAREFULLY STUDY THE DISCLOSURE STATEMENT, WHICH INCLUDES A SUMMARY RESULT COMPARISON, UNTIL YOU ARE SURE YOU UNDERSTAND FULLY THE EFFECT OF THE TRANSACTION. **THE DISCLOSURE STATEMENT IS REQUIRED TO BE PROVIDED TO YOU NO LATER THAN UPON DELIVERY OF THE POLICY OR CONTRACT.**
2. ASK THE COMPANY, AGENT OR BROKER FROM WHOM YOU BOUGHT YOUR EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS TO REVIEW WITH YOU THE TRANSACTION. YOU MAY BE ABLE TO EFFECT THE CHANGES YOU DESIRE MORE ADVANTAGEOUSLY WITH THEM.
3. CONSULT YOUR TAX ADVISOR. THERE MAY BE UNFAVORABLE TAX IMPLICATIONS ASSOCIATED WITH THE CONTEMPLATED CHANGES TO YOUR EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS.

As a general rule, it is often not advantageous to drop or change existing coverage in favor of new coverage, whether issued by the same or a different insurance company. Some of the reasons it may be disadvantageous are:

1. The amount of the annual premium under an existing life insurance policy may be lower than that called for by a new life insurance policy having the same or similar benefits. Any replacement of the same type of policy will normally be at a higher premium rate based upon the insured's then attained age.
2. Since the initial costs of a life insurance policy are charged against the cash value increases in the earlier life insurance policy years, the replacement of an old life insurance policy by a new one results in the policyholder sustaining the burden of these costs twice. Annuity contracts usually contain provision for surrender charges, therefore a replacement involving annuity contracts may result in the imposition of surrender charges.
3. The incontestable and suicide clauses begin anew in a new life insurance policy. This could result in a claim being denied under the new life insurance policy that would have been paid under the life insurance policy that was replaced.
4. An existing life insurance policy or annuity contract often has more favorable provisions than a new life insurance policy or annuity contract in areas such as loan interest rate, settlement options, disability benefits and tax treatment.

5. There may have been changes in your health since the purchase of the existing coverage.
6. The insurance company with which you have existing coverage can often make a desired change on terms that would be more favorable than if you replaced existing coverage with new coverage.

YOU HAVE THE RIGHT, WITHIN 60 DAYS FROM THE DATE OF DELIVERY OF A NEW LIFE INSURANCE POLICY OR ANNUITY CONTRACT, TO RETURN IT TO THE INSURER AND RECEIVE AN UNCONDITIONAL FULL REFUND OF ALL PREMIUMS OR CONSIDERATIONS PAID ON IT, OR IN THE CASE OF A VARIABLE OR MARKET VALUE ADJUSTMENT POLICY OR CONTRACT, A PAYMENT OF THE CASH SURRENDER BENEFITS PROVIDED UNDER THE POLICY OR CONTRACT, PLUS THE AMOUNT OF ALL FEES AND OTHER CHARGES DEDUCTED FROM GROSS CONSIDERATIONS OR IMPOSED UNDER THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT, AND MAY HAVE THE RIGHT TO REINSTATE OR RESTORE ANY LIFE INSURANCE POLICIES AND ANNUITY CONTRACTS THAT WERE SURRENDERED, LAPSED OR CHANGED IN THE TRANSACTION TO THEIR FORMER STATUS TO THE EXTENT POSSIBLE AND IN ACCORDANCE WITH THE INSURER'S PUBLISHED REINSTATEMENT RULES TO THE EXTENT SUCH RULES ARE NOT INCONSISTENT WITH THE PROVISIONS OF 11 NYCRR PART 51 (INSURANCE REGULATION 60).

IMPORTANT: THIS RIGHT SHOULD **NOT** BE VIEWED AS REINSTATING OR RESTORING YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT TO THE SAME CONDITION AS IF IT HAD NEVER BEEN REPLACED. THERE MAY BE CONSEQUENCES IN REINSTATING OR RESTORING YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT, INCLUDING BUT NOT LIMITED TO:

- THE RIGHT TO REINSTATE OR RESTORE YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT APPLIES ONLY TO COMPANIES SUBJECT TO NEW YORK INSURANCE LAWS;
- YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT IS SUBJECT TO YOUR SPECIFIC COMPANY'S REINSTATEMENT RULES, WHICH MAY VARY FROM COMPANY TO COMPANY. THESE RULES MAY REQUIRE PAYMENT OF BOTH PREMIUM AND INTEREST; HOWEVER, YOU WILL NOT BE SUBJECT TO EVIDENCE OF INSURABILITY, OR A NEW CONTESTABLE OR SUICIDE PERIOD;
- YOU MAY NOT RECEIVE THE INTEREST OR INVESTMENT PERFORMANCE DURING THE PERIOD THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT WAS REPLACED; AND
- THERE MAY BE UNFAVORABLE FEDERAL INCOME TAX CONSEQUENCES AS A RESULT OF THE REINSTATEMENT OF YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT.

IMPORTANT: IN THE CASE OF A VARIABLE OR MARKET VALUE ADJUSTMENT POLICY OR CONTRACT, THE VALUE OF THE POLICY OR CONTRACT MAY INCREASE OR DECREASE DURING THE 60 DAY PERIOD DEPENDING ON THE PERFORMANCE OF THE UNDERLYING INVESTMENTS, WHICH MAY AFFECT THE VALUE OF THE REFUND YOU RECEIVE.

I HEREBY ACKNOWLEDGE THAT I READ THE ABOVE "IMPORTANT NOTICE" AND HAVE RECEIVED A COPY OF SAME.

Date: _____

Signature of Applicant: _____

Date: _____

Signature of Applicant: _____

Original to Home Office Copy to Applicant



NASSAU RE

Nassau Life and Annuity Company (the Company)
Nassau Life Insurance Company (the Company)
PHL Variable Insurance Company (the Company)
800.417.4769, option 2, option 1

Request for 1035 Exchange (NON-Qualified)
(Use for Fixed Income Products and Single Premium Products ONLY)

- Instructions:**
- A. Please type or print and provide an overnight address of the current Surrendering Insurance Company.
 - B. Owner's and any joint owner's signatures are required on this form.
 - C. The following items must be mailed to the Accepting Insurance Company to process a 1035 Exchange:
 - 1. This form, "Request for 1035 Exchange (Nonqualified)"
 - 2. Old Policy/contract to be exchanged (if lost, please indicate in Section 2 below)
 - 3. State replacement form **(if required by the state)**
 - 4. Application for the Accepting Insurance Company

1. Surrendering Company Information

Surrendering Insurance Company Telephone Number

Address (Include No., Street, City, State, and ZIP Code)

2. Policy/Contract Information

Policy/Contract Number

The amount requested and directed for payment represents a:

- Partial transfer of \$ _____
- Full liquidation and transfer by check.

Owner Name Tax ID Number

Joint Owner Name Tax ID Number

Annuitant Name(s) Tax ID Number

3. Accepting Company Information

Accepting Insurance Company Contract Number Telephone Number

8 0 0 4 1 7 - 4 7 6 9

ATTN: Nassau Re Products PO Box 22012 Albany, NY 12201-2012

Address

4. Signatures

I do hereby absolutely assign and transfer the above referenced contract (the "Contract") to the Company, along with any and all claims, demands, options, privileges, rights, title, and interest therein as consideration and in exchange for a contract to be issued by the Company in conformance with IRC Sec. 1035. All rights and privileges exercisable by me as Owner of the Contract (including the right to surrender the Contract) are exercisable by the Company as of the date of my signature hereon. I declare that the Contract is not subject to any assignment, pledge, collateral assignment or other lien; that I am not insolvent; that no proceedings in bankruptcy have been instituted by or against me; and, that I am not under guardianship, conservatorship, or any legal disability rendering me incompetent to execute this document.

Disclaimer: You should consult your own tax advisor regarding the tax treatment of this 1035 exchange request, the consequences of which you expressly agree to assume. If this is a partial exchange, withdrawals within 12 months may result in adverse taxation. The Company makes no representations concerning your tax treatment under IRC Sec. 1035 or otherwise and does not assume responsibility for the tax treatment of this transaction.

Signed at _____ this _____ day of _____
City and State Date Month Year

If the funds for this annuity are coming from multiple contracts/accounts, I consent to having the amounts received placed in a non-interest bearing account until all expected funds are received. I consent to and understand that while the funds are in this account, no annuity coverage will be in force. I understand that the amounts will be in the non-interest bearing account for no more than 30 calendar days, unless I specifically consent to a longer period of time.

Owner Signature

Joint Owner or Spouse (only if community property) Signature

Insured Signature (Life only)

Irrevocable Beneficiary Signature

Signature Guarantee or Medallion Signature (if required by transfer). For your protection, the Company requires an original signature guarantee. Signature Guarantees such as the Medallion Signature Guarantee Stamp or the Signature Validation Program Stamp can be obtained at most banks. COPIES NOT ACCEPTED.

(OFFICIAL STAMP OR SEAL)

ACCEPTABLE CERTIFICATIONS:
Medallion Signature Guarantee Stamp or
Signature Validation Program Stamp

5. Acceptance of Assignment

The Accepting Insurance Company, as assignee, accepts this assignment and hereby requests full surrender of the above-referenced Policy/Contract. The surrender represents a transfer of funds to the Accepting Insurance Company to qualify as a Section 1035(a) exchange. When the surrender is completed, please provide the Accepting Insurance Company a report of the pre- and post-TEFRA cost basis in the Policy/Contract.

Authorized Signature

Title

Date (Month, Day, Year)

Authorized Signature

Title

Send completed application to the Company:

Regular Mail: Nassau Re Mail Operation, PO Box 22012, Albany, NY 12201-2012

Express Mail: Nassau Re Mail Operation, 15 Tech Valley Drive, Suite 201, East Greenbush, NY 12061-4142



- Instructions:**
- A. Please type or print and provide an overnight address of the current Financial Institution.
 - B. Owner/trustee's signature is required on this form.
 - C. The following items must be mailed to the Accepting Insurance Company to process a transfer of funds:
 1. This form, "Request for Qualified Retirement Account Transfer/Rollover"
 2. Old Policy/contract, if applicable (if lost, please indicate in Section 2 below)
 3. State replacement form **(if required by the state)**
 4. Application (if applicable)

1. Current Plan Information

Current Financial Institution _____

Telephone Number _____

Address (Include No., Street, City, State, and ZIP Code) _____

Policy/Account Owner Name _____

Name of Participant/Annuitant (if different) _____

Policy/Account Number _____

Owner's Social Security Number _____

Participant/Annuitant Social Security Number _____

Transfer/Rollover **FROM** type of plan:

- 401(k)
 401(a)
 403(b)
 SEP
 SIMPLE-IRA
 Traditional IRA
 Roth IRA
 Other (specify) _____

Transfer/Rollover **TO** type of plan:

- Traditional IRA
 Roth IRA
 SEP
 SIMPLE-IRA
 Other (specify) _____

*There may be additional Employer requirements. Please consult your employer or administrator.

2. Qualified Transfer/Rollover Instructions

Check one for each of the following sections:

- a. The amount requested and directed for payment represents a:
 - Partial transfer of \$ _____
 - Full liquidation and transfer by check. Unless attached, I/we hereby certify that the contract has been lost or destroyed.
- b. Apply proceeds to a new contract Apply proceeds to existing contract number _____
- c. Client initiated rollover

Note: Age 70-1/2 restrictions apply to a retirement account transfer: If you are age 70-1/2 or older this year, you may not transfer or rollover required minimum distribution amounts. If necessary, instruct your present trustee/custodian, prior to effecting this transfer, to either: (1) pay your own required minimum distribution to you now or (2) retain that amount for distribution to you later.

Required Minimum Distribution status for the current tax year: (Select one.)

- RMD has already been satisfied
 RMD has not been satisfied. Please process before the transfer.

3. Signatures

I, the undersigned Owner/Trustee of the above-named contract/account(s), request that you directly transfer the amount specified above to

Nassau Re

Name of Accepting Company

Please do not withhold any amount for taxes from the proceeds. It is my intention that this surrender and payment shall not constitute either actual or constructive receipt of income for federal income tax purposes and would therefore qualify as a transfer of assets. I request that my name not appear as a joint payee on the check nor shall any endorsement thereon be necessary for transfer or deposit. I request that the funds be made payable to the above-mentioned accepting company. If my name is to be used, it must be preceded by the term FBO or "for the benefit of."

If the funds for this annuity are coming from multiple contracts/accounts, I consent to having the amounts received placed in a non-interest bearing account until all expected funds are received. I consent to and understand that while the funds are in this account, no annuity coverage will be in force. I understand that the amounts will be in the non-interest bearing account for no more than 30 calendar days, unless I specifically consent to a longer period of time.

Contract Owner Signature

Date (Month, Day, Year)

Irrevocable Beneficiary Signature (if applicable)

Date (Month, Day, Year)

Signed at: _____
City and State

Signed at: _____
City and State

Signature Guarantee or Medallion Signature (if required by transfer). For your protection, the Company requires an original signature guarantee. Signature Guarantees such as the Medallion Signature Guarantee Stamp or the Signature Validation Program Stamp can be obtained at most banks. COPIES NOT ACCEPTED.

(OFFICIAL STAMP OR SEAL)

ACCEPTABLE CERTIFICATIONS:
Medallion Signature Guarantee Stamp or
Signature Validation Program Stamp

4. Acceptance of Transfer (to be completed by the Accepting Company)

Please liquidate the above-referenced Policy/Account. Do not withhold taxes from the proceeds. Please make the check payable to

Nassau Re

Name of Accepting Company

Attach a copy of this form to the check and send to the address below.

Authorized Signature

Title

Date (Month, Day, Year)

New Policy/Contract Number

Send completed application to the Company:

Regular Mail: Nassau Re Mail Operation, PO Box 22012, Albany, NY 12201-2012

Express Mail: Nassau Re Mail Operation, 15 Tech Valley Drive, Suite 201, East Greenbush, NY 12061-4142