

**Policy Number:** \_\_\_\_\_

This is a summary of the provisions of your annuity, but it is not a part of your contract. Your annuity policy contains complete details. The WNL Flex 7 Annuity is a flexible premium deferred annuity which offers a premium guarantee backed by Western National Life Insurance Company ("Company"). The premium guarantee provides that your value at cancellation will be equal to or greater than your premiums paid, less any previous withdrawals of interest or premium payments.

**ANNUITIES:** are not a deposit; are not FDIC/NCUA/NCUSIF-insured; are not insured by any federal government agency; are not guaranteed by the bank/credit union; and may lose value.

Initials (Select only one interest rate option.)

\_\_\_\_\_ **1 Year Effective Annual Interest Rate (1-Year Guarantee):** The present effective annual interest rate on the initial premium is \_\_\_\_\_% and is guaranteed to be in effect for one year from the Policy Date. This rate includes a \_\_\_\_\_% enhancement to the current credited interest rate and is payable for the first twelve (12) months only. After twelve months, the enhancement is no longer payable. To achieve this rate, the initial premium must be left in the annuity for a full year without any withdrawals. Additional premiums will be credited with the then current interest rate. Interest is credited and compounded daily to achieve the annual rate.

\_\_\_\_\_ **3 Year Effective Annual Interest Rate (3-Year Guarantee):** The guaranteed effective annual interest rate on the initial premium is \_\_\_\_\_% for years one through three. This rate includes a \_\_\_\_\_% enhancement to the current credited interest rate and is payable for the first three (3) years only. After three years, the enhancement is no longer payable. To achieve this rate, the initial premium must be left in the annuity for a full year without any withdrawals. Additional premiums will be credited with the then current interest rate. Interest is credited and compounded daily to achieve the annual rate.

\_\_\_\_\_ **5 Year Effective Annual Interest Rate (5-Year Guarantee):** The guaranteed effective annual interest rate on the initial premium is \_\_\_\_\_% for years one through five. To achieve this rate, the initial premium must be left in the annuity for a full year without any withdrawals. Additional premiums will be credited with the then current interest rate. Interest is credited and compounded daily to achieve the annual rate.

\_\_\_\_\_ **7 Year Effective Annual Interest Rate (7-Year Guarantee):** The guaranteed effective annual interest rate on the initial premium is \_\_\_\_\_% for years one through seven. To achieve this rate, the initial premium must be left in the annuity for a full year without any withdrawals. Additional premiums will be credited with the then current interest rate. Interest is credited and compounded daily to achieve the annual rate.

**Minimum Guaranteed Rate: (The current guaranteed minimum interest rate is predetermined by the Company.)** The effective annual interest rate for each premium will be declared from time to time by the Company's Board of Directors and is guaranteed to always be at least \_\_\_\_\_. This guaranteed minimum interest rate will remain in effect for the life of your policy and is not subject to change.

**Withdrawal Privileges:** After 30 days from the Policy Date, you may take multiple penalty-free withdrawals each year not exceeding in total the greater of (1) the accumulated interest earned or (2) up to 15% of the previous anniversary annuity value. If you do not use all of the 15% free withdrawal percentage in a policy year, you may carry over the unused portion to the next policy year up to a maximum of 20% of the previous anniversary annuity value. Withdrawals in excess of the permitted free withdrawals are subject to an early withdrawal charge for seven years from the date of receipt of each premium.

**Withdrawal Charge Schedule**

Years from Payment	1	2	3	4	5	6	7	Thereafter
Charge	9%	8%	7%	6%	5%	4%	2%	0%

(% of Premium Withdrawn)

The undersigned owner(s) acknowledges that he/she has read and understands the above items, **including the information on the back of this form**, has received a copy of this acknowledgment and certifies that he/she has paid an initial premium of \$\_\_\_\_\_ to purchase an WNL Flex 7 Annuity from Western National Life Insurance Company. A statement of your account will be provided at least once each policy year.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AGENT'S NAME (Please Print)

OWNER'S NAME (Please Print)

JOINT OWNER'S NAME, IF ANY (Please Print)

AGENT'S SIGNATURE

OWNER'S SIGNATURE

JOINT OWNER'S SIGNATURE, IF ANY

Tax qualified contracts such as IRAs, 401(k)s, etc. are tax deferred regardless of whether or not they are funded with an annuity. If you are considering funding a tax-qualified retirement plan with an annuity, you should know that an annuity does not provide any additional tax-deferred treatment of earnings beyond the tax-qualified plan or program itself. However, annuities do provide other features and benefits such as death benefits and income payment options.

*The charges for a contract with a bonus may be higher, and the interest lower, than for a contract without a bonus. The amount of the bonus may be more than offset by the charges and/or reduced interest associated with the bonus.*

**Extended Care Rider:** (Not available in all states.) Early withdrawal charges may be waived in the event an Owner receives qualifying extended care. I/we understand that:

- Extended care must begin at least one year after the Policy Date;
- Extended care must be provided in a qualified institution for at least ninety consecutive days; and
- Coverage terminates on the date income payments begin or the date on which the annuity policy terminates. For Florida only, in addition to the aforementioned, coverage under the rider also terminates on the date any owner turns age 86.

**Waiver of Early Withdrawal Charges:** (Not available in all states.) Early withdrawal charges may be waived if:

- A Licensed Health Care Practitioner certifies that the Owner is unable to perform at least 2 of 6 Activities of Daily Living for at least 90 consecutive days; and
- Certification is received at least one year after the Policy Date (coverage terminates on the date income payments begin or the date on which the policy terminates.)

**Federal Tax Penalty:** Withdrawals prior to age 59½ are generally subject to a 10% federal income tax penalty.