

Overview

The life insurance policy illustrated on the following pages is a flexible premium, adjustable life insurance policy, which is commonly called Universal Life. Premium payments may be made at any time prior to the policy anniversary nearest age 100 subject to the minimum and maximum premium requirements as explained in the policy. Higher payments will assure that coverage will continue for a longer period than lower payments.

This illustration shows how the policy would perform based on certain assumptions regarding the interest rate credited and policy charges deducted. In each example, the interest rate used is shown. The length of coverage and the values which would be provided by the planned premium payments are also shown. This illustration is based on the premiums you have indicated you plan to pay. Premiums are assumed to be received on the first day of any payment period. Payment of a different amount or at a different time will affect the actual values and benefits.

CHANGES TO THE CURRENT INTEREST RATE OR POLICY CHARGES MAY RESULT IN ADDITIONAL PREMIUM PAYMENTS BEING REQUIRED TO KEEP THE POLICY IN FORCE.

The values and benefits are calculated using your age and sex and the underwriting class or rating shown in the illustration to determine the policy charges deducted. If a different rating is assigned during the underwriting process, it will affect the actual values and benefits. Only the values and benefits in the columns labeled Projected Values at Guaranteed Interest Rate, Guaranteed Monthly Deductions represent amounts actually guaranteed under the policy for the premiums shown. The other columns present values, benefits, interest rates and charges which are not guaranteed and are subject to change. The column labeled Non-Guaranteed Projected Values at Illustrated Interest Rates and Monthly Deductions reflects interest rates that are equal to or more conservative than what the company is currently crediting, and monthly deductions which are equal to or more conservative than what the company is currently charging. The column headed Projected Values at Midpoint Interest Rate and Midpoint Monthly Deductions reflects an interest rate and policy charges which are at the midpoint between Illustrated and Guaranteed. This illustration is intended to assist you in understanding how the policy works, not to predict actual performance. Supplemental illustrations which demonstrate various available policy options and possible uses of the policy may also be provided to you.

This illustration assumes that the currently illustrated non-guaranteed elements used will not change for all years shown. This is not likely to occur, and actual results may be more or less favorable than those shown.

Premium Outlay

Premium outlay is the sum of the periodic payments you plan to make each year. Monthly deduction charges will continue even if there is no premium outlay. Depending on the actual non-guaranteed policy performance, you may need to continue or resume premium outlays to maintain benefit levels.

The premium payment that you make is flexible, subject to company minimums and maximums. Different levels of premium payments will result in different levels and periods of benefits. The premium that will guarantee a coverage of at least the illustrated face amount until age 115 is \$47,077. This premium amount reflects the payment mode that you have chosen, and any lump sum contributions.

The amount of premium that may be paid is subject, however, to any applicable limits set by Section 7702 of the Internal Revenue Code.

Other Policy Features, Riders and Options

A description of all riders and options attached to the proposed policy will appear at the end of this narrative summary.

Annual Withdrawal

The Annual Withdrawal column shows the withdrawals that you plan to make from the policy. The illustration assumes that any withdrawals occur at the beginning of the policy year. For more on withdrawals, see “Special Policy Features”.

Non-Guaranteed Projected Values at Illustrated Interest Rates and Monthly Deductions

The values in these columns assume that the non-guaranteed illustrated monthly deduction rates and other policy charges remain in effect for the duration of the policy. This illustration shows non-guaranteed values based on the interest rates shown in the Non Guar. Intr. Rate column. Interest rate crediting is determined by the policy face amount. For policy face amounts up to \$999,999, the currently credited interest rate is 5.50%; for face amounts between \$1,000,000 and \$4,999,999 the currently credited interest rate is 5.75%; for face amount of \$5,000,000 and up, the currently credited interest rate is 6.00%. It is subject to change at any time. The Company may declare a higher or lower rate, but it will never be less than the guaranteed rate of 4%. Monthly Deduction rates and other policy charges are subject to change, but can never exceed the maximums guaranteed in the contract. Monthly deduction rates are guaranteed at the current scale for the first five policy years.

Cash Value Column

The cash value is the accumulation value less applicable surrender penalties and any outstanding loan balance. It is the amount you would receive if you were to surrender the policy.

Accumulation Value Column

The accumulation value equals the sum of premiums paid; minus administrative charges, monthly deductions, and any withdrawals; plus the Premium Qualification Credit and accumulated interest. The administrative charge is determined by the policy face amount. For policy face amounts up to \$4,999,999, the expense charge is 7%; for face amounts \$5,000,000 through \$9,999,999 the expense charge is 6.5%; for face amounts \$10,000,000 and up, the expense charge is 6.25%. It is illustrated here net of any loans.

Death Benefit

The death benefit may differ from the face amount for the following reasons: 1. If your policy is the Return of Accumulation Value ("Plus") version, the death benefit is the face amount plus the accumulation value. 2. If your policy is the Return of Premium version, the death benefit is the face amount plus the sum of gross premiums less any refunds, withdrawals and surrenders. 3. The death benefit must exceed the accumulation value by a specified amount to qualify as life insurance under IRC Section 7702. 4. The death benefit paid is always reduced by the amount of any loans.

Projected Values at Guaranteed Interest Rate, Guaranteed Monthly Deductions

The values shown here are calculated using the guaranteed maximum monthly deductions and the guaranteed minimum interest rate of 4% for the duration of the policy. Please see the contract for information re: timing of credits and deductions.

Special Policy Features

Both the non-guaranteed and guaranteed values reflect only the illustrated activities (such as premiums, withdrawals, loans, and changes to the face amount and death benefit). If you change the amount or timing of these activities, the values in your policy will change accordingly. The policy will have complete details.

Withdrawals and Company Surrender Penalty-Free Withdrawals

Once a year after the first policy year you may request a withdrawal up to 10% of the accumulation value, without incurring Company imposed surrender penalties. In some states, Extra Withdrawals of up to 10% of the accumulation value are also free from company penalties after the first year, if a physician certifies that the insured requires

medical care for at least one of the following conditions: heart attack, stroke, cancer (malignant tumor), renal failure or major organ transplant. Withdrawals in excess of the penalty-free withdrawal amounts are charged the applicable surrender penalties.

Decreases in Face Amount

If you decrease the face amount during the first 10 policy years, there will be a pro-rata surrender penalty. The pro-rata penalty will be based on the proportion of the face amount decreased.

Changes at Policy Anniversary Nearest Age 100

The following changes occur beginning at policy anniversary nearest age 100:

1. Monthly deductions will discontinue.
2. Policy accumulation values will continue to earn interest at the guaranteed rate of 4% for unloaned values and 5.5% on loaned values.
3. The death benefit will be the accumulation value times the death benefit factor, less any loans.
4. The policy will mature at the insured's age 115, for the net cash value.

Federal Income Tax Considerations

You should contact your tax advisor as to the tax implications of any planned withdrawal, loan or surrender.

Under the Technical and Miscellaneous Revenue Act of 1988 (TAMRA), a life insurance contract becomes a Modified Endowment Contract (MEC) when actual premiums paid exceed a specified 7-pay premium limit or may become a MEC when there are certain changes to policy benefits. It is our understanding that the 7-pay limit for each of the first seven years of this illustration is \$80,508. New 7-pay limits may be established for the policy as a result of changes in policy terms or benefits. Amounts received from a MEC prior to the death of the insured may be fully taxable. In addition, if the owner is not yet 59-1/2, the amount received would be subject to a 10% penalty tax. All MECs issued by the company to the same owner during any calendar year will be treated as one MEC. For additional information, consult your tax advisor. If there is a 1035 exchange of a contract which is not a MEC, 17.3% of the amount exchanged will apply towards the annual TAMRA 7-Pay Limit of the new policy.