



LIBERTY BANKERS LIFE INSURANCE COMPANY (LBL)
 THE CAPITOL LIFE INSURANCE COMPANY (CLIC)

P. O. Box 5147 • Springfield, IL 62705-5147
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BANKERS 1 & 3 & 5 & 7

Disclosure Form

This disclosure is designed to help you understand the many features and benefits of the **BANKERS 1 & 3 & 5 & 7** annuities.

SINGLE PREMIUM DEFERRED ANNUITIES

The **BANKERS 1 & 3 & 5 & 7** are single premium deferred annuities. Additional premiums may not be added in the future.

TAX ADVANTAGES

Although an annuity does not eliminate your tax liability on interest earnings, under current tax law all interest earned accumulates on a tax-deferred basis. Tax deferral is currently available only to individual owners and certain trusts, not to corporations or other non-individuals.

FINANCIAL SECURITY

LBL and CLIC are Legal Reserve Companies, required by state regulation to maintain reserves equal to or greater than guaranteed surrender values.

NO SALES CHARGES OR FEES

100% of your money earns interest for you.

GUARANTEE PERIOD/INTEREST CREDITING

You choose the guaranteed rate period that is best for you. The guarantee period begins on the date of issue and ends on the last day of the chosen period. After your chosen rate period ends, you will continue to earn interest.

Interest is credited and compounded on a daily basis. The rates shown below are the current effective annual yields.

MINIMUM GUARANTEED RATES		
BANKERS 1	%	%
	Year 1	Years 2 +
BANKERS 3	%	%
	Years 1 – 3	Years 4 +
BANKERS 5	%	%
	Years 1 – 5	Years 6 +
BANKERS 7	%	%
	Years 1 – 7	Years 8 +

Rates in effect on: _____

Subject to Change Without Notice!

ISSUE AGES

Age 95 for the **BANKERS 1 & 3**, Age 90 for the **BANKERS 5** and Age 85 for the **BANKERS 7**.

MINIMUM/MAXIMUM PREMIUMS

The Minimum Premium is \$10,000 for Non-Qualified and Qualified funds. Premiums in excess of \$250,000 require prior company approval.

RIGHT TO EXAMINE ANNUITY

Within the first 30 days after you receive your annuity, you may return the annuity and receive 100% of your premium, minus any prior withdrawals.

WITHDRAWALS/SURRENDER CHARGES

The surrender charge will apply to a full or partial surrender of the principal, unless the surrender charge is waived as explained below.

Year:	Ages	MVA	1	2	3	4	5	6	7	8
1 Year	0-95	No	5%	None						
3 Year	0-95	Yes	8%	7%	6%	None				
5 Year	0-90	Yes	8%	7%	6%	5%	4%	None		
7 Year	0-55	Yes	12%	11%	10%	8%	6%	5%	4%	None
7 Year	56-85	Yes	8%	7%	6%	5%	4.5%	3.5%	2.5%	None

SCHEDULED AND UNSCHEDULED WITHDRAWALS

You may withdraw 100% of your accumulated interest two times a year, *free* of all charges. Or if you desire, we will mail you a monthly check based on the daily nominal interest rate subject to a minimum amount of \$100. The amount will vary depending on number of days in the month.

LC - Bankers - DF (07/08)

PROCEEDS PAYABLE AT DEATH

- If the Annuitant is not the Owner, the Annuitant dies before the Maturity Date, and the Owner is a natural person, the Owner must choose a new Annuitant within 60 days of the date of the Annuitant's death. If the owner does not choose a new Annuitant, the Owner will become the Annuitant. If the Owner is not a natural person, proceeds are payable to the Beneficiary upon receiving proof of the Annuitant's death while this Contract is in force. The proceeds payable if the Annuitant dies prior to the Maturity Date will be the then Accumulated Value of the Contract.
- If the Owner is also the Annuitant, the death benefit will be the Accumulated Value on the date of death. If the Owner is not the Annuitant, the death benefit will be the Cash Surrender Value on the date of death.

MARKET VALUE ADJUSTMENT (MVA)

The Market Value Adjustment is an amount by which we adjust the Accumulated Value. An MVA will apply to a full surrender or to a partial withdrawal subject to a surrender charge during the initial 3, 5 or 7 year guaranteed rate period. The MVA may increase or decrease your Accumulated Value, depending on whether interest rates* have fallen or risen from the time of purchase. If interest rates have declined, your Accumulated Value could be higher. If interest rates have increased, your Accumulated value could be lower. The MVA is not applied to any death benefit payable at the Annuitant's death. In no event will the Market Value Adjustment be greater than one year's excess interest. Assets subject to Market Value Adjustment are not held in a separate account. There is no MVA for the **BANKERS 1**.

* The Treasury Constant Maturity Series, published by the Federal Reserve, is used to measure changes in interest rates.

TAXATION OF WITHDRAWALS

Withdrawals may be subject to income tax. If withdrawals are made before age 59½, they also may be subject to a 10% IRS penalty.

OTHER IMPORTANT BENEFITS

The following benefits are added to non-qualified contracts issued in Texas for the **BANKERS 3 & 5 & 7** (These benefits are not available for the **BANKERS 1**):

Nursing Home Benefit: After the first policy year, you can withdraw 50% of your Accumulated Value if you are confined to a nursing home for 90 consecutive days.

Disability Benefit: After the first policy year, you can withdraw 50% of your Accumulated Value if you are disabled for 90 consecutive days.

Complete details of these two important benefits are explained in the policy.

NOTES

- The **BANKERS 1 & 3 & 5 & 7** annuities are not available in all states; certain restrictions, conditions, and state variations may apply.
- This document is not a legal contract. For the exact terms and conditions, please refer to the annuity policy/contract.
- Annuities are products of the insurance industry and are not guaranteed by any bank or insured by the FDIC.

ACKNOWLEDGEMENT:

I acknowledge that I have read this disclosure and I understand the description of these provisions as they apply to my application. I acknowledge that there is a 30-day right to examine this annuity. I also understand that subject to the guaranteed values in the annuity, the cash surrender values in the annuity may increase or decrease based on an MVA adjustment (for **BANKERS 3 & 5 & 7**) prior to the date or dates specified in the annuity.

X

Signature of Owner

Signature of Joint Owner (If Any)

X

Signature of Agent

Date

Agent Name

