



- NEW ERA LIFE INSURANCE COMPANY
- PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY
- NEW ERA LIFE INSURANCE COMPANY OF THE MIDWEST

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Top Exchange 3 & 5

Disclosure Form

This disclosure form highlights key features and benefits of the TOP EXCHANGE 3 & 5 annuities.

TAX ADVANTAGES – TAX DEFERRED PLAN

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.

SINGLE PREMIUM DEFERRED ANNUITIES

The TOP EXCHANGE 3 & 5 are single premium deferred annuities. Additional premiums may not be added in the future.

NO SALES CHARGES OR FEES

There are with no annual maintenance fees and no front-end sales loads. **100% of your money works for you!** However, if applicable, a premium tax will be deducted from your premium. **(Not Applicable in Texas!)**

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, your annuity will earn a portfolio interest rate, which may go up or down, but can never earn less than the contract's minimum guaranteed rate at the time of your purchase.

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

SPECIAL OFFER – INTERNAL EXCHANGE RATES		
MINIMUM GUARANTEED RATES		
Top Exchange 3	%	1.00%
	Years 1 – 3	
Top Exchange 5	%	1.00%
	Years 1 – 5	

Rates in effect on: _____

Subject to Change Without Notice!

ISSUE AGES

There are no maximum issue ages for Internal Exchanges.

MINIMUM/MAXIMUM PREMIUMS

The minimum premium is \$10,000. Premiums in excess of \$500,000 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.

RIGHT TO CHANGE ANNUITANT

As the owner of a non-qualified TOP EXCHANGE 3 or 5 annuity, you may change the annuitant at any time before annuity payments begin.

WITHDRAWALS/SURRENDER CHARGES

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

Year:	1	2	3	4	5	6+
3 Year	5%	5%	5%	None		
5 Year	5%	5%	5%	5%	5%	None

MARKET VALUE ADJUSTMENT (MVA)

A market value adjustment (MVA) applies to a full surrender, or to any partial surrender (withdrawal), to which a surrender charge applies. The MVA is in addition to the surrender charge and is calculated using the MVA factor described in the annuity. This factor is based on changes in the yields on U.S. Treasuries. The MVA may increase or decrease your surrender value.

EXCEPTIONS TO SURRENDER CHARGES & MVA

- 1) You may withdraw 100% of your accumulated interest **free** of all charges at any time.
- 2) If you desire, we will mail you or direct deposit a check based on the daily nominal interest rate and subject to a minimum amount of \$125. If the monthly payment is less than \$125, the payment will be made on a quarterly basis.
- 3) Surrender charges and MVA are waived in the event of death of the Owner.
- 4) You may elect to annuitize at any time after one year from a wide range of options. Surrender charges and MVA are waived with a payout period of 5 years or longer.
- 5) If the Owner dies after electing to annuitize, but before all guaranteed income payments are received, the remaining guaranteed payments will be paid to the beneficiary.
- 6) If the Annuitant is different from the Owner and the Annuitant dies before the Owner elects to annuitize, the Owner may name a new Annuitant.
- 7) Required Minimum Distributions from qualified plans are not subject to surrender charges or the MVA.

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.

FINANCIAL SECURITY

The New Era Companies are conservatively managed and financially strong life insurance companies, required by state regulation to maintain reserves equal to or greater than guaranteed surrender values.

NOTES

- The TOP EXCHANGE 3 & 5 annuities are issued on Policy Forms A-0063E and A-0065E and 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.
- Tax laws are subject to varying interpretations and possible changes. Please consult your tax advisor for further information.

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 prior to the date or dates specified in the annuity.

X

Signature of Owner(s)

X

Signature of Agent

Date

Agent Name and Address

