

**DISCLOSURE STATEMENT**

Some features of this Rider may vary by state. If you have any questions, please contact your representative or EquiTrust Life Insurance Company ("the Company") for details. This form is not intended to be a complete explanation of the rider. **Please refer to the Rider for complete details.**

**WHAT IS THE INCOME FOR LIFE RIDER?**

It is an optional Rider that can be elected by you to be attached to your annuity Contract at issue. If elected, **there is a charge for the Rider**, which will be deducted annually from your Accumulation Value. The Rider provides for Income Withdrawals to be paid to you for your lifetime, even if the Accumulation Value is depleted.

An election to receive Income Withdrawals under this Rider is not an annuitization of the contract. Therefore, when you elect Income Withdrawals, you continue to maintain all the benefits under your Deferred Annuity Contract and retain control of when and how much income is distributed from your Contract.

**HOW SOON CAN INCOME WITHDRAWALS BEGIN?**

Income Withdrawals can begin anytime after the second Contract Year, as long as you (and the Joint Owner if Joint Income Withdrawals are elected) are at least age 50. You must indicate in a form acceptable to the Company that you are electing to begin Income Withdrawals. The Income Period starts at the point of the first Income Withdrawal.

**HOW ARE INCOME WITHDRAWALS DETERMINED?**

The initial Income Withdrawal Amount is determined by taking an age-based factor, called the Income Withdrawal Percentage, multiplied by a value, called the Benefit Base, which we will describe below. The Income Withdrawal Percentages can be found on page 2 of this Disclosure.

Subsequent Income Withdrawal Amounts are recalculated annually on each Contract Anniversary and are the greater of the previous Income Withdrawal Amount, or the current Benefit Base multiplied by the original Income Withdrawal Percentage.

Income Withdrawals are not subject to a Surrender Charge or Market Value Adjustment. Income Withdrawals can be taken Monthly, Quarterly, Semi-Annually or Annually. Income Withdrawals may be stopped and restarted. Once elected, if Income Withdrawals are not stopped by you, they will continue for your life (or the life of the last surviving Joint Owner, if Joint Income Withdrawals are elected), even if the Accumulation Value becomes zero.

**Benefit Base** – The Benefit Base is equal to Premiums, plus any applicable Premium Bonus, plus any applicable Accumulation Value Bonus less Withdrawals, accumulated at 6.50% compounded annually for 15 years, or until the start of Income Withdrawals, if earlier.

If the Benefit Base is less than the current Accumulation Value at the start of the Income Period, the Benefit Base is set equal to the current Accumulation Value. Additionally, on each Contract Anniversary during the Income Period, the Benefit Base will be set equal to the current Accumulation Value, if the current Accumulation Value is greater.

The Benefit Base only serves to calculate the Income Withdrawal Amount. **The Benefit Base is not available upon surrender, death or annuitization.**

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**Income Withdrawal Percentage** – The Income Withdrawal Percentage is used to determine the initial and subsequent Income Withdrawal Amounts. The percentage is based on your age at the time you first elect to receive Income Withdrawals. Once you elect to receive Income Withdrawals, your Income Withdrawal Percentage will never change.

<b>Age of Owner at the time of first Income Withdrawal</b>	<b>Single Life Income Withdrawal Percentage</b>	<b>Joint Life Income Withdrawal Percentage (based on the age of the younger Owner)</b>
50-54	3.50%	3.00%
55-59	4.00%	3.50%
60-64	4.50%	4.00%
65-69	5.00%	4.50%
70-74	5.50%	5.00%
75-79	6.00%	5.50%
80-84	6.50%	6.00%
85-89	7.00%	6.50%
90+	7.50%	7.00%

### **WHAT HAPPENS IF THE ACCUMULATION VALUE IS ZERO?**

At the point the Accumulation Value is reduced to zero due to Income Withdrawals, you will continue to receive Income Withdrawals until your death (or the death of the last surviving Joint Owner, if Joint Income Withdrawals are elected). **The Contract does not have any Cash Surrender Value or Death Benefit Value during this Period.** There is no longer a Benefit Base and withdrawals greater than the Income Withdrawal Amount are not allowed at this time.

### **CAN I WITHDRAW MORE THAN THE INCOME WITHDRAWAL AMOUNT?**

Yes, you may withdraw more than the Income Withdrawal Amount during the Income Period. However, any amount withdrawn over the Income Withdrawal Amount will be considered an Excess Withdrawal. Excess Withdrawals may be subject to a Surrender Charge and Market Value Adjustment if they exceed the penalty free provisions of the Contract. Excess Withdrawals reduce any future Income Withdrawal Amounts and the Benefit Base by an amount proportionate to the reduction in the Accumulation Value.

Required Minimum Distributions are not considered Excess Withdrawals, even if they exceed the Income Withdrawal Amount.

Prior to starting Income Withdrawals, the partial surrender provisions of the Contract apply. After starting Income Withdrawals, the annual penalty-free withdrawal amount is the greater of the Income Withdrawal Amount, or 10% of the Accumulation Value. Withdrawals prior to the start of the Income Period will reduce the Benefit Base proportionately.

### **WHAT IS THE RIDER CHARGE?**

The annual Rider Charge is equal to **0.50% of the Accumulation Value** and is deducted from the Accumulation Value on each Contract Anniversary until the Rider is terminated. The Rider Charge is not deducted from the Minimum Guaranteed Contract Value or the Benefit Base. The Rider Charge percentage is declared at issue and will not change for the life of the Rider.

### **WHEN DOES THE RIDER TERMINATE?**

The Rider can be terminated by you at any time after the second contract year. The Rider terminates automatically upon your death (or death of last surviving owner if Joint Income Withdrawals are elected), full surrender, annuitization, change of ownership, or if the Benefit Base is reduced to zero due to Excess Withdrawals. Once the Rider is terminated it cannot be restarted.

### **ARE THERE RULES ABOUT ADDITIONAL PREMIUMS?**

Additional premiums are not allowed on your Contract during the Income Period.

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## WHAT ARE THE RIDER ISSUE REQUIREMENTS?

The Rider must be elected at issue. The following grid describes how the contract must be structured to elect the Rider.

Type of Plan	Owner	Ownership Requirements	Annuitant Requirements	Primary Beneficiary Requirements
Non-Qualified	Single Owner	None	Annuitant must be the Owner	If Joint Income Withdrawals are desired, the sole primary beneficiary must be the Owner's spouse.
	Joint Owners	Joint Owners must be spouses	If Joint Annuitants elected, must be the Joint Owners. Single Annuitant must be one of the Joint Owners.	If Joint Income Withdrawals are desired, the beneficiary must read "surviving spouse."
Qualified-IRA	Single Owner	None	Annuitant must be the Owner	If Joint Income Withdrawals are desired, the sole primary beneficiary must be the Owner's spouse.

## HOW ARE INCOME WITHDRAWALS TAXED?

Please consult your tax advisor for advice on taxation of Income Withdrawals. In general, taxation of Income Withdrawals is similar to taxation of any other partial distribution of proceeds. Income Withdrawals prior to age 59-1/2 may be subject to early withdrawal penalty. Taxation of Income Withdrawals may change if the Rider is in the Income Period and the Accumulation Value is equal to zero. In general, for Non-Qualified contracts, once your cost basis (principal) in the contract has been fully recovered, the full amount of each Income Withdrawal may be subject to tax as ordinary income.

In states that recognize Civil Unions, we intend to provide the same benefits as provided to spouses. However, you should consult with your tax advisor regarding the taxation of your annuity.

### Applicant Statement:

By signing below, I acknowledge that:

- **I have read, or have been read, this document and understand that I am choosing to attach the Income For Life Rider to the Fixed and Indexed Deferred Annuity Contract that I am applying for.**
- **I understand this Rider contains an Annual Charge.**
- I have received a copy of this document, as well as any advertisement that was used in connection with the sale of this Rider.

\_\_\_\_\_  
Signature of Owner(s)/Applicant(s)      Date

\_\_\_\_\_  
Name of Owner(s)/Applicant(s) (please print)

\_\_\_\_\_  
Social Security #

\_\_\_\_\_  
Daytime Telephone Number

### Agent Statement:

By signing below, I acknowledge I have reviewed this document with the applicant. I certify that a copy of this document, as well as any advertisement used in connection with the sale of this Rider, has been provided to the applicant. I have not made statements that differ in any significant manner from this material. I have not made any promises or guarantees about the future value of any non-guaranteed elements.

\_\_\_\_\_  
Signature of Agent      Date

\_\_\_\_\_  
Agent Name & Number (please print)

EquiTrust Life Insurance Company • www.equitrust.com • 866-598-3692  
7100 Westown Pkwy Ste 200 • West Des Moines, Iowa 50266-2521  
Mailing Address • PO Box 14500 • Des Moines, Iowa 50306-3500

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\_\_\_\_\_  
Signature of Owner(s)/Applicant(s)      Date

\_\_\_\_\_  
Name of Owner(s)/Applicant(s) (please print)

\_\_\_\_\_  
Social Security #

\_\_\_\_\_  
Daytime Telephone Number

### Agent Statement:

By signing below, I acknowledge I have reviewed this document with the applicant. I certify that a copy of this document, as well as any advertisement used in connection with the sale of this Rider, has been provided to the applicant. I have not made statements that differ in any significant manner from this material. I have not made any promises or guarantees about the future value of any non-guaranteed elements.

\_\_\_\_\_  
Signature of Agent      Date

\_\_\_\_\_  
Agent Name & Number (please print)

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