

**State:** Arkansas **Filing Company:** Western National Life Insurance Company  
**TOI/Sub-TOI:** A021 Individual Annuities- Deferred Non-Variable/A021.003 Single Premium  
**Product Name:** S97-12-AR & S98-12-AR  
**Project Name/Number:** S97-12-AR & S98-12-AR/S97-12-AR & S98-12-AR

## Filing at a Glance

Company: Western National Life Insurance Company  
Product Name: S97-12-AR & S98-12-AR  
State: Arkansas  
TOI: A021 Individual Annuities- Deferred Non-Variable  
Sub-TOI: A021.003 Single Premium  
Filing Type: Form  
Date Submitted: 09/27/2012  
SERFF Tr Num: AGNN-128644677  
SERFF Status: Closed-Approved-Closed  
State Tr Num:  
State Status: Approved-Closed  
Co Tr Num: S97-12-AR & S98-12-AR  
  
Implementation: On Approval  
Date Requested:  
Author(s): Nancy R Smith  
Reviewer(s): Linda Bird (primary)  
Disposition Date: 10/04/2012  
Disposition Status: Approved-Closed  
Implementation Date:  
  
State Filing Description:

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## General Information

Project Name: S97-12-AR & S98-12-AR Status of Filing in Domicile: Authorized  
Project Number: S97-12-AR & S98-12-AR Date Approved in Domicile: 09/25/2012  
Requested Filing Mode: Review & Approval Domicile Status Comments:  
Explanation for Combination/Other: Market Type: Individual  
Submission Type: New Submission Individual Market Type:  
Overall Rate Impact: Filing Status Changed: 10/04/2012  
State Status Changed: 10/04/2012  
Deemer Date: Created By: Nancy R Smith  
Submitted By: Nancy R Smith Corresponding Filing Tracking Number:

### Filing Description:

The forms submitted in this filing are new and do not replace any forms previously approved by your Department. The filing includes no assumption or provisions that unfairly discriminate in availability, rates, benefits, or any other way for prospective insureds of the same class, equal expectation of life, and degree of risk. This filing does not contain any unusual or controversial items. To the best of our knowledge, information and belief, the forms submitted herewith are in compliance with the provisions of the insurance laws, rules, regulations and bulletins of your state and such forms contain no provisions previously disapproved by your Department. We certify that we are in compliance with Regulations 19 and 49, as well as AR. Code Ann. 23-79-138.

Form S97-12-AR is an individual fixed single premium deferred annuity policy with an early withdrawal charge period of five years. The owner may make partial withdrawals at any time before the Annuity Date. Withdrawals in excess of the permitted free withdrawals are subject to a decreasing early withdrawal charge for five years after the Policy Date. After thirty days from the Policy Date the policy owner may withdraw the greater of (i) the accumulated interest; or (ii) 15% of the Annuity Value free of a withdrawal charges. The minimum interest rate complies with the Standard Nonforfeiture Law for Individual Deferred Annuities which references an indexed minimum interest rate based upon defined Federal Reserve 5 Year Constant Maturity Treasury rates. The minimum interest rate is guaranteed annually and will never be lower than 1.0%. This policy is non-participating. The issue ages are 0-90. The policy will be marketed through financial institutions and will be both home office and field issued, except for rollovers and transfers which are only home office issued.

Form S98-12-AR is an individual fixed single premium deferred annuity policy with an early withdrawal charge period of seven years. The owner may make partial withdrawals at any time before the Annuity Date. Withdrawals in excess of the permitted free withdrawals are subject to a decreasing early withdrawal charge for seven years after the Policy Date. After thirty days from the Policy Date the policy owner may withdraw the greater of (i) the accumulated interest; or (ii) 15% of the Annuity Value free of a withdrawal charges. The minimum interest rate complies with the Standard Nonforfeiture Law for Individual Deferred Annuities which references an indexed minimum interest rate based upon defined Federal Reserve 5 Year Constant Maturity Treasury rates. The minimum interest rate is guaranteed annually and will never be lower than 1.0%. This policy is non-participating. The issue ages are 0-90. The policy will be marketed through financial institutions and will be both home office and field issued, except for rollovers and transfers which are only home office issued.

Forms S97-12-AR-1, S97-12-AR-3, S97-12-AR-5 are schedule pages which will be issued with S97-12-AR depending on the interest rate guarantee selected by the policy holder. Forms S98-12-AR-1, S98-12-AR-3, S98-12-AR-5, S98-12-AR-7 are schedule pages which will be issued with S98-12-AR depending on the interest rate guarantee selected by the policy holder.

Form 212-8X is the application which will be used to apply for these policies.

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Form R347-06 was approved 1/11/07. This Waiver of Early Withdrawal Charges for Extended Care waives early withdrawal charges if the owner receives extended care in a qualified institution for at least ninety (90) consecutive days and the extended care begins at least one year after the Contract Date.

Form R342-06 was approved 11/29/07. This is a Terminal Illness Rider that allows one free partial or full withdrawal of the annuity value in the event of the Owner's terminal illness. This form will be attached to and made part of our annuity contracts as approved in your State.

Form R389-06 was approved 12/13/06. This is an Amendatory Endorsement for Waiver of Early Withdrawal Charges that will be attached to and become part of our annuity contracts. The Amendatory Endorsement waives early withdrawal charges and any negative Market Value Adjustment, if applicable, in accordance with the provisions outlined in the endorsement.

Form R384-05, approved in your state on 12/21/05, will be issued with these contracts. This form is a Premium Guarantee Endorsement, which guarantees the single premium payment. If a full withdrawal is taken at any time, the customer will receive at least the amount of the single premium paid, less any prior partial withdrawals. This endorsement will become a part of the policy at issue.

## Company and Contact

### Filing Contact Information

Nancy R. Smith, Compliance Analyst Sr Nancy.R.Smith@valic.com  
 2929 Allen Parkway, L10-30 800-262-4764 [Phone] 6070 [Ext]  
 Houston, TX 77019-2155 713-831-6932 [FAX]

### Filing Company Information

Western National Life Insurance Company	CoCode: 70432	State of Domicile: Texas
2929 Allen Parkway, L10-30	Group Code: 12	Company Type:
Houston, TX 77019	Group Name:	State ID Number:
(713) 831-6006 ext. [Phone]	FEIN Number: 75-0770838	

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$500.00  
 Retaliatory? No  
 Fee Explanation: AR fee is \$50/form X 10 Forms. Retaliatory fee for Texas is \$100 per filing. Higher AR fee sent.  
 Per Company: No

Company	Amount	Date Processed	Transaction #
Western National Life Insurance Company	\$500.00	09/27/2012	63161978

SERFF Tracking #:

AGNN-128644677

State Tracking #:

Company Tracking #:

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	10/04/2012	10/04/2012

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Life & Annuity - Actuarial Memo	Nancy R Smith	09/27/2012	09/27/2012

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## Disposition

Disposition Date: 10/04/2012

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document (revised)	Life & Annuity - Acturial Memo		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	SOVs		Yes
Form	SPDA		Yes
Form	SCHEDULE PAGE		Yes
Form	SCHEDULE PAGE		Yes
Form	SCHEDULE PAGE		Yes
Form	SPDA		Yes
Form	SCHEDULE PAGE		Yes
Form	SCHEDULE PAGE		Yes
Form	SCHEDULE PAGE		Yes
Form	SCHEDULE PAGE		Yes
Form	SPDAA		Yes

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## Amendment Letter

Submitted Date: 09/27/2012

Comments:

Attached act memo for S98-12-AR.

Changed Items:

### Supporting Document Schedule Item Changes:

Satisfied -Name: Life & Annuity - Acturial Memo

Comment:

S97-12\_ActMemo.pdf

S98-12\_ActMemo.pdf

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## Form Schedule

### Lead Form Number: S97-12-AR & S98-12-AR

Item No.	Schedule Item Status	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments
1		S97-12-AR	POL	SPDA	Initial:	50.000	S97-12-AR_filedversion.pdf
2		S97-12-AR-1	SCH	SCHEDULE PAGE	Initial:	0.000	S97-12-AR-1_filedversion.pdf
3		S97-12-AR-3	SCH	SCHEDULE PAGE	Initial:	0.000	S97-12-AR-3_filedversion.pdf
4		S97-12-AR-5	SCH	SCHEDULE PAGE	Initial:	0.000	S97-12-AR-5_filedversion.pdf
5		S98-12-AR	POL	SPDA	Initial:	50.000	S98-12-AR_filedversion.pdf
6		S98-12-AR-1	SCH	SCHEDULE PAGE	Initial:	0.000	S98-12-AR-1_filedversion.pdf
7		S98-12-AR-3	SCH	SCHEDULE PAGE	Initial:	0.000	S98-12-AR-3_filedversion.pdf
8		S98-12-AR-5	SCH	SCHEDULE PAGE	Initial:	0.000	S98-12-AR-5_filedversion.pdf
9		S98-12-AR-7	SCH	SCHEDULE PAGE	Initial:	0.000	S98-12-AR-7_filedversion.pdf
10		212-8X	AEF	SPDAA	Initial:	50.000	212-8X_JDoe.pdf

### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
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**SERFF Tracking #:**

AGNN-128644677

**State Tracking #:****Company Tracking #:**

S97-12-AR &amp; S98-12-AR

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<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NOC</b>	Notice of Coverage
<b>OTH</b>	Other	<b>OUT</b>	Outline of Coverage
<b>PJK</b>	Policy Jacket	<b>POL</b>	Policy/Contract/Fraternal Certificate
<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	<b>SCH</b>	Schedule Pages





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## DEFINITIONS:

**Annuity Date:** The date income payments will begin.

**Annuity Value:** The Annuity Value equals the single premium received, plus any interest earned, minus any applicable premium tax, minus any previous withdrawals and related early withdrawal charges.

**Annuitant:** The natural person to whom income payments will be made.

**Owner:** The primary Owner and any Joint Owner, collectively.

**Policy Date:** The date this policy was issued and the date on which the single premium began earning interest.

**We, Us, Our:** Western National Life Insurance Company.

**Withdrawal Value:** The amount You would receive upon a full withdrawal of Your Policy. The Withdrawal Value equals the Annuity Value after any applicable withdrawal charges have been deducted.

**You, Your:** The Owner.

## OWNER

The Owner is the person or entity entitled to the ownership rights stated by this policy.

As the Owner, You have the right to:

- Name a different Owner.
- Assign Your interest in the policy to another person.
- Name or change the beneficiary.
- Withdraw money from Your annuity.
- Select an income plan and specify its start date. (See *Income Plans* on page 7 for details).
- Receive the annuity income payments once the income plan has been established.

- Terminate Your annuity and receive the Withdrawal Value.

## JOINT OWNER

If this policy is non-qualified, it may be owned by Joint Owners. Upon the death of either Owner, the surviving Joint Owner will be the primary beneficiary. If another result is desired, the Owners may specifically designate that a surviving Joint Owner will not be the primary beneficiary.

## ANNUITANT

An Annuitant is a "measuring life" and has the following effects on the annuity:

- If You choose an income plan that guarantees payments for life, the age and sex of the Annuitant is used to calculate the income amounts, unless unisex mortality factors apply to Your policy. (See *Employer-Sponsored Plans* on page 9 for more information).
- If the Annuitant dies before an income plan begins, the Owner may designate a new Annuitant, subject to Our underwriting rules then in effect. If the Owner is not a natural person, the death of the Annuitant will be treated as the death of the Owner.
- If the Annuitant dies after an income plan begins, income payments will end unless the income plan chosen calls for payments to continue after death.

## BENEFICIARY

The beneficiary is the person or persons who will receive payment if:

- The Owner dies before an income plan has started, or
- The Annuitant dies while payments are being made under an income plan that calls for payments to continue after the Annuitant's death.

See the *Joint Owner* provision above for its effect on the beneficiary.

If no beneficiary is living when the money becomes payable due to death, We will pay the Owner or Owner's estate.

## **CHANGES TO OWNER, ANNUITANT OR BENEFICIARY**

**Beneficiary.** If You make a beneficiary change, the change will take effect on the date You sign the change request form. However, We are not responsible for any payment or other action taken before We have received and acknowledged in writing Your change request.

**Annuitant.** The Annuitant is the person designated by the Owner in the application, unless changed prior to the Annuity Date. The Annuitant may only be changed prior to the Annuity Date as follows:

- If the Owner is a natural person, he or she may change the Annuitant upon the death of an Annuitant who is not the Owner; or
- An Owner who is a natural person and who is not the Annuitant may designate himself or herself the Annuitant at the time the Owner requests an income plan in writing.
- An Owner who is not a natural person may not change the Annuitant.

Any change of the Annuitant is subject to Our underwriting rules in effect at the time the change is requested, including underwriting rules regarding the age of the Annuitant.

**Assignment and Ownership.** If You assign Your policy or make an ownership change, the change will take effect on the date You sign the change request form. However, We are not responsible for any payment or other action taken before We have received and acknowledged in writing Your change request.

We are not responsible for the validity of any assignment or ownership change. An assignment or ownership change may be a taxable transaction.

Consult Your tax advisor to determine any tax consequences.

## **POLICY VALUES**

Your **Annuity Value** equals:

- The single premium received,
- plus all interest earned,
- minus any applicable premium tax (see page 9),
- minus any previous withdrawals and related early withdrawal charge.

Your **Withdrawal Value** is the amount You will receive upon a full withdrawal or surrender of Your policy. It is equal to the Annuity Value after any applicable early withdrawal charges have been deducted.

## **Interest**

Interest is credited to Your annuity daily. All interest rates quoted are effective annual interest rates. This is the yield that results after interest has compounded daily for a full year.

We set interest rates according to the following guidelines:

- The single premium will earn interest at the interest rate and for the time period shown on Your annuity application and schedule page. Thereafter, We will declare the new rate from time to time.
- The table on page 10 shows the minimum Withdrawal Values We guarantee. These values could be greater if We pay or credit interest in excess of the guaranteed minimum interest rate.

Prior to the selection of an Income Plan, We guarantee Your effective annual interest rate will always be at least as large as the guaranteed minimum interest rate set forth in Your annuity application and on the Schedule Page, regardless of future economic conditions.

## **WITHDRAWALS**

For the purpose of calculating permitted free withdrawals and early withdrawal charges, withdrawals will be treated as coming first from interest earnings, and as a return of premium only after earnings have been exhausted.

### **Permitted Free Withdrawal Option**

After thirty days from the Policy Date, You may take multiple withdrawals each policy year not exceeding in total the greater of (i) the accumulated interest; or (ii) 15% of the Annuity Value as of the previous policy anniversary or the Policy Date if taken in the first year, which includes any interest credited on that date. We will not deduct from these withdrawals any early withdrawal charge. If You do not use all of the 15% free withdrawal percentage in a policy year, You may carry the remainder over to the next policy year, up to a maximum of 20% of the most recent policy anniversary Annuity Value. The maximum free withdrawal in any year may not exceed 20% of the most recent policy anniversary Annuity Value except where the accumulated interest earnings remaining in the policy exceed 20%.

### **Early Withdrawal Charges**

An early withdrawal charge may be deducted if You withdraw more than Your permitted free withdrawal amount. The early withdrawal charge is equal to the percentage(s) shown on page 1 of the amount of premium withdrawn. After five years from the Policy Date an early withdrawal charge will not apply.

The table on page 10 shows the minimum Withdrawal Values We guarantee. These values could be greater if We pay or credit interest in excess of the guaranteed minimum interest rate.

### **Income Tax Consequences**

Withdrawals from Your annuity may be subject to federal and state income taxes. For tax purposes,

withdrawals will be treated as coming first from interest earnings, and as a return of premium only after earnings have been exhausted. Income taxes may apply sooner if the Owner is not a natural person and if an exception to annual taxation does not apply. Income taxes may also apply sooner if You transfer all rights in this policy to another Owner or Annuitant.

The taxable portion of withdrawals taken before You reach age 59½ may be subject to an additional 10% federal income tax. This penalty tax is distinct and separate from any early withdrawal charge that may apply. If the Annuity Date is not more than one year after the Policy Date or if You begin an Income Plan with payments over Your life or life expectancy, this additional 10% tax may not apply.

Consult Your tax advisor regarding Your specific situation.

### **Partial Withdrawals**

You may withdraw a portion of the Annuity Value any time before an income plan has begun. Withdrawal requests must be for a minimum of [\$250]. Your withdrawal, plus any early withdrawal charge as described above, will be deducted from Your Annuity Value. Your Annuity Value after a partial withdrawal must be at least [\$2,000].

### **Full Withdrawal/Termination**

A full withdrawal will terminate Your policy. If You make a full withdrawal within five years of the Policy Date, the early withdrawal charges will apply.

### **Deferral of Payments**

In accordance with state law, We may defer payments up to six months after receiving a request for partial or full withdrawal, subject to written approval by the insurance commissioner of the state where this policy is delivered. If We

defer payment, interest will continue to accrue until the payment is made.

## INCOME PLANS

An income plan allows You to apply Your Annuity to create a guaranteed income for life or for a specified period. An income plan begins on the Annuity Date. As of the Annuity Date, the Owner and the Annuitant will be the same (Owner/Annuitant). The Owner may select either the Owner or the Annuitant to be the Owner/Annuitant, beginning on the Annuity Date, subject to the limitations described in this section and in the *Annuitant* provision of this policy.

If the Owner is a natural person, and if the Owner does not elect otherwise, the Owner will be the Owner/Annuitant on the Annuity Date. If the Owner is not a natural person, and if the Owner does not elect otherwise, the Annuitant will be the Owner/Annuitant on the Annuity Date. An Annuitant who is also a representative of an Owner that is not a natural person, such as an Annuitant who is the trustee of the trust under which the policy is held, may receive income plan payments in a representative capacity.

Any change of Owner or Annuitant can have income tax consequences, and may cause the distribution requirements in this policy to apply. We will pay the income to the Owner or a designated payee.

The amount of income paid under an income plan will depend on the amount applied to purchase the Plan, less premium tax, if any, and the income plan option selected. The minimum income plan values are based on the [A2000 Individual Annuity Valuation Table], sex distinct, with interest at [1.5%]. The attained age at annuitization will be adjusted downward by one year for each full five year period that has elapsed since January 1, 2000. The table on page 11 shows the guaranteed minimum income plan values for monthly payments. These amounts could be greater, depending on the actual interest rates and the payment frequency selected.

For each plan, the amount shown under the Annuitant's sex and age as of the Annuity Date is the minimum amount that We will pay monthly for each \$1,000 applied to purchase the plan. Upon request, We will provide information on payment amounts for other ages or for unisex mortality factors. (See *Employer-Sponsored Plans* on page 9 for more information.)

You choose the Annuity Date. The Annuity Date may be any time after three years from the Policy Date. (You may choose an earlier Annuity Date, but the early withdrawal charge will be deducted before the income payment amount is calculated.)

If You do not elect an earlier date, income payments will start when the Owner reaches age 100. The income plan options are described below. If You do not choose another income plan, We will pay according to Plan B, with payments guaranteed for ten years.

Your income plan options are:

**Plan A - Life Income:** Provides income payments for the Annuitant's entire lifetime. Income payments will end upon the Annuitant's death.

**Plan B - Life Income with 5, 10, 15 or 20 Years Guaranteed:** Provides income payments for as long as the Annuitant lives. If the Annuitant dies before the guarantee period is over, We will continue to make payments until the end of the guarantee period. You choose the guarantee period of 5, 10, 15 or 20 years.

**Plan C - Life Income with Installment Refund:** Provides income payments for as long as the Annuitant lives. If the Annuitant dies before the guarantee period is over, We will continue to make payments until the total amount applied to the plan has been refunded. The length of the guarantee period is calculated by dividing the amount applied to the income plan by the monthly income payment amount.

**Plan D - Fixed Amount:** Provides fixed amount income payments for a minimum of five years and

a maximum of 20 years in an amount elected until the amount applied is exhausted.

**Plan E - Fixed Period Income:** Provides equal periodic income payments for a predetermined number of years only. The fixed period may be from five to 20 years.

Payments may be made according to one of these income plans or as We otherwise agree.

At least 30 days prior to the Annuity Date, You must:

- Return this policy.
- Indicate the income plan You have elected.

After an income plan begins, Your policy will change:

- Your Annuity on the day the income plan starts will be applied to the income plan of Your choice.
- This annuity policy will be terminated and replaced with Our agreement to make periodic payments under the income plan selected.
- No further withdrawals may be made.
- Income payments will be made monthly, quarterly, semiannually or annually, as may be requested. The minimum payment is [\$50]. We will make payments less frequently if Your chosen payment schedule results in a smaller payment. We may periodically require proof that the Annuitant is still living.

## DEATH BENEFITS

### Death of Annuitant Before Annuity Date

If an Annuitant who is not an Owner dies before the Annuity Date, the Owner may designate a new Annuitant, subject to Our underwriting rules then in effect. If no designation is made within 30 days of the death, the Owner will become the Annuitant. If the Owner is a non-natural person, the death of the Annuitant will be treated as the death of the Owner; a new Annuitant may not be chosen.

### Death of Owner Before Annuity Date

The Annuity Value will be paid to the beneficiary upon the death of any Owner before an income plan begins. (If the Owner's Spouse is the sole beneficiary, there is an important exception, which is explained below.) Upon the death of a Joint Owner, the surviving Joint Owner, if any, will be treated as the primary beneficiary (unless the Joint Owners have notified Us in writing prior to the death of a Joint Owner that the surviving Joint Owner will not be the primary beneficiary). Any other beneficiary designation on record at the time of death will be treated as a contingent beneficiary.

If We receive a claim for the death benefit and proof that the death occurred before an income plan began, We will pay the Annuity Value to the beneficiary. The beneficiary may choose to receive it:

1. In a single sum paid within five years of the date of death; or
2. Under any of the income plans described in *Income Plans* on page 7. In this case, the beneficiary functions as the Owner and Annuitant and may choose a new beneficiary. The income must start no later than one year after the date of death. In addition, the income must be over a period, which does not exceed the life or life expectancy of the beneficiary. Income plan options are available only if the beneficiary is a natural person.

**Surviving Spouse Exception:** If the Owner's spouse is the sole beneficiary, upon the death of the Owner, the surviving spouse may, upon request, become the Owner and Annuitant of the policy, continuing the policy. Otherwise, the surviving spouse may select an income plan option or request that We pay the Annuity Value in a single sum.

The Annuity Value will continue to earn interest until the date one of the above options goes into effect. If We do not receive a written notice of the option selected within 60 days after We receive

acceptable proof of death, the Annuity Value will be paid as a single sum.

### **Death After Annuity Date**

If the Annuitant dies while payments are being made under an income plan, those payments will end unless the income plan chosen calls for payments to continue after the Annuitant's death. These payments will be made at least as rapidly as they were being made at the time of death.

### **GENERAL INFORMATION**

**The Contract.** The annuity policy, schedule page, Your application, and any riders or endorsements constitute the entire contract. All statements made in the application are, in the absence of fraud, representations and not warranties.

**Your Application.** By signing the annuity application You agree that:

- All the statements and answers given by You on the application are true and complete to the best of Your knowledge.

A copy of the application is provided to You as part of this annuity policy.

**Misstatement of Age or Sex.** You will, upon request, provide proof of the Annuitant's birth date and sex. If the birth date or sex has been previously misstated, income amounts will be adjusted to the proper amounts for the true age or sex.

**Changes.** No change will be made that adversely affects Your rights unless the change is required by law. However, subject to any required regulatory approval, We may modify the policy so as to qualify as an annuity under the provisions of the Internal Revenue Code, as may be amended. You will be provided with notice of any change affecting Your policy.

Only an officer of Western National Life Insurance Company may modify any annuity policy or waive any requirement in the application. Any changes must be in writing and signed by an authorized officer.

**Nonparticipating.** This annuity policy pays no dividends and has no voting rights.

**Incontestable.** This annuity policy is incontestable.

**Employer-Sponsored Plans.** This annuity policy will have unisex mortality factors applied to its income plan if the policy is part of an employer-sponsored retirement plan under the provisions of Internal Revenue Code sections 401, 403, 457 or other pertinent section.

**Applicable Law.** This annuity policy is governed by the laws of the state in which it is delivered. All Annuity Values, Withdrawal Values, paid-up annuities or death benefits available from this annuity policy are at least equal to those required by that state.

**Annual Statement.** We will send You a statement showing Your Annuity Value, Your Withdrawal Value and the activity in Your annuity at least once each policy year until You start an income plan.

**Premium Tax.** Some states charge a premium tax on annuities. If a premium tax is due, We may find it necessary to deduct the tax from the sum of Your premium payments, or from Your Annuity Value at the time of withdrawal or when the Annuity Value is applied to an income plan.



**ACCUMULATION TABLE**  
GUARANTEED VALUES\*

<b>End of Policy Year</b>	<b>Annuity Value Increase</b>	<b>Annuity Value End of Year</b>	<b>Withdrawal Value</b>
1	\$[10,100	10,100	9,326
2	101	10,201	9,547
3	102	10,303	9,725
4	103	10,406	9,905
5	104	10,510	10,089
6	105	10,615	10,615
7	106	10,721	10,721
8	107	10,829	10,829
9	108	10,937	10,937
10	109	11,046	11,046
11	110	11,157	11,157
12	112	11,268	11,268
13	113	11,381	11,381
14	114	11,495	11,495
15	115	11,610	11,610
16	116	11,726	11,726
17	117	11,843	11,843
18	118	11,961	11,961
19	120	12,081	12,081
20	121	12,202	12,202
21	122	12,324	12,324
22	123	12,447	12,447
23	124	12,572	12,572
24	126	12,697	12,697
25	127	12,824	12,824
26	128	12,953	12,953
27	130	13,082	13,082
28	131	13,213	13,213
29	132	13,345	13,345
30	133	13,478	13,478
31	135	13,613	13,613
32	136	13,749	13,749
33	137	13,887	13,887
34	139	14,026	14,026
35	140	14,166	14,166
36	142	14,308	14,308
37	143	14,451	14,451
38	145	14,595	14,595
39	146	14,741	14,741
40	147	14,889	14,889 ]

\* Values shown assume:

- A \$10,000 single premium payment at the beginning of the first policy year;
- The guaranteed minimum interest rate of [1.0%] for all applicable years;
- No prior withdrawals.

**MINIMUM MONTHLY INCOME PLAN PAYMENTS  
PER \$1,000 OF ANNUITY VALUE USED TO PURCHASE AN INCOME PLAN**

Attained Age of Payee When First Installment is Payable	PLAN A, B and C TABLES												PLAN E TABLE	
	MALE and FEMALE												No. of Years Payable	Fixed Period Income
	PLAN A Life Income		PLAN B Life Income with Guaranteed Period								PLAN C Life Income with Installment Refund			
			5 years		10 years		15 years		20 years					
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female			
50	[\$3.28	\$3.03	\$3.27	\$3.03	\$3.25	\$3.02	\$3.22	\$3.00	\$3.17	\$2.98	\$3.05	\$2.89	5	\$17.28
51	3.35	3.09	3.34	3.09	3.32	3.08	3.29	3.06	3.23	3.03	3.10	2.94	6	14.51
52	3.42	3.16	3.42	3.15	3.40	3.14	3.36	3.12	3.29	3.09	3.16	2.99	7	12.53
53	3.50	3.22	3.50	3.22	3.47	3.21	3.43	3.19	3.35	3.15	3.22	3.04	8	11.04
54	3.59	3.30	3.58	3.29	3.55	3.28	3.50	3.25	3.42	3.21	3.28	3.10	9	9.89
55	3.68	3.37	3.67	3.37	3.64	3.35	3.58	3.32	3.48	3.27	3.35	3.16	10	8.96
56	3.77	3.45	3.76	3.45	3.72	3.43	3.66	3.39	3.55	3.33	3.41	3.22	11	8.21
57	3.87	3.54	3.86	3.53	3.82	3.51	3.74	3.47	3.62	3.40	3.48	3.29	12	7.58
58	3.98	3.63	3.96	3.62	3.91	3.60	3.83	3.55	3.69	3.47	3.56	3.36	13	7.05
59	4.09	3.72	4.07	3.72	4.02	3.69	3.92	3.63	3.75	3.54	3.63	3.43	14	6.59
60	4.21	3.82	4.19	3.81	4.13	3.78	4.01	3.72	3.83	3.62	3.71	3.50	15	6.20
61	4.33	3.93	4.31	3.92	4.24	3.88	4.10	3.81	3.90	3.69	3.80	3.58	16	5.85
62	4.47	4.05	4.44	4.03	4.36	3.99	4.20	3.90	3.97	3.77	3.88	3.66	17	5.55
63	4.61	4.17	4.58	4.15	4.49	4.10	4.30	4.00	4.04	3.84	3.98	3.75	18	5.27
64	4.77	4.30	4.73	4.28	4.62	4.22	4.41	4.11	4.11	3.92	4.07	3.84	19	5.03
65	4.93	4.43	4.89	4.41	4.76	4.34	4.51	4.21	4.17	4.00	4.18	3.93	20	4.81]
66	5.11	4.58	5.06	4.56	4.90	4.48	4.62	4.32	4.24	4.07	4.28	4.03		
67	5.29	4.74	5.24	4.71	5.05	4.62	4.73	4.43	4.30	4.15	4.39	4.14		
68	5.49	4.91	5.42	4.88	5.20	4.76	4.83	4.55	4.36	4.22	4.51	4.25		
69	5.70	5.09	5.62	5.05	5.36	4.92	4.94	4.66	4.42	4.29	4.63	4.37		
70	5.93	5.29	5.83	5.24	5.53	5.08	5.05	4.78	4.47	4.36	4.76	4.49		
71	6.17	5.50	6.06	5.44	5.70	5.25	5.15	4.90	4.52	4.42	4.90	4.62		
72	6.43	5.73	6.29	5.66	5.87	5.43	5.25	5.02	4.56	4.48	5.04	4.76		
73	6.70	5.97	6.54	5.89	6.05	5.62	5.35	5.14	4.60	4.53	5.19	4.90		
74	7.00	6.24	6.80	6.14	6.23	5.81	5.44	5.25	4.64	4.58	5.34	5.06		
75	7.31	6.53	7.08	6.41	6.42	6.01	5.53	5.36	4.67	4.62	5.51	5.22		

All values shown are based on an interest rate of [1.5%].

**WESTERN  NATIONAL**  
**Life Insurance Company**

[ 205 East 10<sup>th</sup> Avenue  
Amarillo, Texas 79101  
Telephone 800.424.4990 ]

**SINGLE PREMIUM DEFERRED ANNUITY POLICY**

**SINGLE PREMIUM DEFERRED ANNUITY  
ANNUITY PAYMENTS TO BEGIN ON ANNUITY DATE  
THIS ANNUITY IS NON-PARTICIPATING – DIVIDENDS ARE NOT PAYABLE**

**SCHEDULE PAGE**

**Owner:** [John Doe]

**Joint Owner:** \_\_\_\_\_

**Annuitant:** [John Doe]

**Contract No.:** [H123456]

**Date of Issue:** [01/01/2012]

**Annuity Date:** [01/01/2042]

**Single Premium:** [\$10,000]

**Interest Rates: The interest rate on the single premium is guaranteed as follows:**

**[One Year Guarantee:**

Current Rate: .....	[1.05%]
Interest Rate Enhancement: .....	[1.00%]
[Interest Rate Enhancement for single premium of \$100,000 or more: .....	1.00%]
Total One Year Current Rate: .....	[3.05%]

**[One Year Guarantee:**

**Current Rate Year 1:** ..... [1.05%]

**The guaranteed minimum interest rate for the life of your contract is [1.00%].**

**SCHEDULE PAGE**

**Owner:** [John Doe]

**Joint Owner:** \_\_\_\_\_

**Annuitant:** [John Doe]

**Contract No.:** [H123456]

**Date of Issue:** [01/01/2012]

**Annuity Date:** [01/01/2042]

**Single Premium:** [\$10,000]

**Interest Rates: The interest rate on the single premium is guaranteed as follows:**

**[Three Year Guarantee:**

Current Rate: .....	[1.25%]
Interest Rate Enhancement: .....	[.30%]
[Interest Rate Enhancement for single premium of \$100,000 or more: .....	1.00%]
Total Three Year Current Rate: .....	[2.55%]

**[Three Year Guarantee:**

Current Rate Years 1-3: .....	[1.25%]
-------------------------------	---------

**The guaranteed minimum interest rate for the life of your contract is [1.00%].**

**SCHEDULE PAGE**

**Owner:** [John Doe]

**Joint Owner:** \_\_\_\_\_

**Annuitant:** [John Doe]

**Contract No.:** [H123456]

**Date of Issue:** [01/01/2012]

**Annuity Date:** [01/01/2042]

**Single Premium:** [\$10,000]

**Interest Rates:** The interest rate on the single premium is guaranteed as follows:

**Five Year Guarantee:**

**Current Rate Years 1-5:** ..... [1.20%]

The guaranteed minimum interest rate for the life of your contract is [1.00%].

**SINGLE PREMIUM DEFERRED ANNUITY POLICY**

Western National Life Insurance Company (referred to in this annuity policy as "We") has issued this policy in consideration of Your application and single premium.

Interest earned on Your single premium will accumulate until it is withdrawn or applied to an income plan. Income payments made according to the income plan selected will begin on the Annuity Date.

The Owner may make partial withdrawals at any time before the Annuity Date. Withdrawals in excess of permitted amounts are subject to a decreasing early withdrawal charge for seven years after the Policy date. The early withdrawal charge is equal to the percentage shown below of the amount of premium withdrawn which exceeds permitted free withdrawals.

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

See *Withdrawals*, beginning on page 6, for additional information.

[  [SECRETARY]  [PRESIDENT] ]

Policy Number: [H123456] Policy Date: [01/01/2012]  
 Single Premium Payment: [\$[10,000] Annuity Date: [01/01/2042]  
 Annuitant: [John Doe] Age at Issue: [35]

**Read Your policy carefully. This annuity policy explains how Your annuity works, and is a legal contract between You and Western National Life Insurance Company.**

**RIGHT TO VOID: If, after reading the policy You are not satisfied for any reason, You may return the policy to Us or any agent authorized by Us within twenty days (thirty days if this policy is issued as a replacement) after receiving it. We will refund any premium paid and the policy will then be void.**

The Arkansas Insurance Department is located at 1200 West Third Street, Little Rock, AR 72201-1904. 1-800-852-5494. [www.insurance.arkansas.gov](http://www.insurance.arkansas.gov) .

**SINGLE PREMIUM DEFERRED ANNUITY  
 ANNUITY PAYMENTS TO BEGIN ON ANNUITY DATE  
 THIS ANNUITY IS NON-PARTICIPATING – DIVIDENDS ARE NOT PAYABLE**

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## DEFINITIONS:

**Annuity Date:** The date income payments will begin.

**Annuity Value:** The Annuity Value equals the single premium received, plus any interest earned, minus any applicable premium tax, minus any previous withdrawals and related early withdrawal charges.

**Annuitant:** The natural person to whom income payments will be made.

**Owner:** The primary Owner and any Joint Owner, collectively.

**Policy Date:** The date this policy was issued and the date on which the single premium began earning interest.

**We, us, our:** Western National Life Insurance Company.

**Withdrawal Value:** The amount You would receive upon a full withdrawal of Your Policy. The Withdrawal Value equals the Annuity Value after any applicable withdrawal charges have been deducted.

**You, Your:** The Owner.

## OWNER

The Owner is the person or entity entitled to the ownership rights stated by this policy.

As the Owner, You have the right to:

- Name a different Owner.
- Assign Your interest in the policy to another person.
- Name or change the beneficiary.
- Withdraw money from Your annuity.
- Select an income plan and specify its start date. (See *Income Plans* on page 7 for details).
- Receive the annuity income payments once the income plan has been established.

- Terminate Your annuity and receive the Withdrawal Value.

## JOINT OWNER

If this policy is non-qualified, it may be owned by Joint Owners. Upon the death of either Owner, the surviving Joint Owner will be the primary beneficiary. If another result is desired, the Owners may specifically designate that a surviving Joint Owner will not be the primary beneficiary.

## ANNUITANT

An Annuitant is a "measuring life" and has the following effects on the annuity:

- If You choose an income plan that guarantees payments for life, the age and sex of the Annuitant is used to calculate the income amounts, unless unisex mortality factors apply to Your policy. (See *Employer-Sponsored Plans* on page 9 for more information).
- If the Annuitant dies before an income plan begins, the Owner may designate a new Annuitant, subject to our underwriting rules then in effect. If the Owner is not a natural person, the death of the Annuitant will be treated as the death of the Owner.
- If the Annuitant dies after an income plan begins, income payments will end unless the income plan chosen calls for payments to continue after death.

## BENEFICIARY

The beneficiary is the person or persons who will receive payment if:

- The Owner dies before an income plan has started, or
- The Annuitant dies while payments are being made under an income plan that calls for payments to continue after the Annuitant's death.

See the *Joint Owner* provision above for its effect on the beneficiary.

If no beneficiary is living when the money becomes payable due to death, We will pay the Owner or Owner's estate.

## **CHANGES TO OWNER, ANNUITANT OR BENEFICIARY**

**Beneficiary.** If You make a beneficiary change, the change will take effect on the date You sign the change request form. However, We are not responsible for any payment or other action taken before We have received and acknowledged in writing Your change request.

**Annuitant.** The Annuitant is the person designated by the Owner in the application, unless changed prior to the Annuity Date. The Annuitant may only be changed prior to the Annuity Date as follows:

- If the Owner is a natural person, he or she may change the Annuitant upon the death of an Annuitant who is not the Owner; or
- An Owner who is a natural person and who is not the Annuitant may designate himself or herself the Annuitant at the time the Owner requests an income plan in writing.
- An Owner who is not a natural person may not change the Annuitant.

Any change of the Annuitant is subject to our underwriting rules in effect at the time the change is requested, including underwriting rules regarding the age of the Annuitant.

**Assignment and Ownership.** If You assign Your policy or make an ownership change, the change will take effect on the date You sign the change request form. However, We are not responsible for any payment or other action taken before We have received and acknowledged in writing Your change request.

We are not responsible for the validity of any assignment or ownership change. An assignment or ownership change may be a taxable transaction.

Consult Your tax advisor to determine any tax consequences.

## **POLICY VALUES**

Your **Annuity Value** equals:

- The single premium received,
- plus all interest earned,
- minus any applicable premium tax (see page 9),
- minus any previous withdrawals and related early withdrawal charge.

Your **Withdrawal Value** is the amount You will receive upon a full withdrawal or surrender of Your policy. It is equal to the Annuity Value after any applicable early withdrawal charges have been deducted.

## **Interest**

Interest is credited to Your annuity daily. All interest rates quoted are effective annual interest rates. This is the yield that results after interest has compounded daily for a full year.

We set interest rates according to the following guidelines:

- The single premium will earn interest at the interest rate and for the time period shown on Your annuity application and Schedule Page. Thereafter, We will declare the new rate from time to time.
- The table on page 10 shows the minimum Withdrawal Values We guarantee. These values could be greater if We pay or credit interest in excess of the guaranteed minimum interest rate.

Prior to the selection of an Income Plan, We guarantee Your effective annual interest rate will always be at least as large as the guaranteed minimum interest rate set forth in Your annuity application and on the Schedule Page, regardless of future economic conditions.

## **WITHDRAWALS**

For the purpose of calculating permitted free withdrawals and early withdrawal charges, withdrawals will be treated as coming first from interest earnings, and as a return of premium only after earnings have been exhausted.

### **Permitted Free Withdrawal Option**

After thirty days from the Policy Date, You may take multiple withdrawals each policy year not exceeding in total the greater of (i) the accumulated interest; or (ii) 15% of the Annuity Value as of the previous policy anniversary or the Policy Date if taken in the first year, which includes any interest credited on that date. We will not deduct from these withdrawals any early withdrawal charge. If You do not use all of the 15% free withdrawal percentage in a policy year, You may carry the remainder over to the next policy year, up to a maximum of 20% of the most recent policy anniversary Annuity Value. The maximum free withdrawal in any year may not exceed 20% of the most recent policy anniversary Annuity Value except where the accumulated interest earnings remaining in the policy exceed 20%.

### **Early Withdrawal Charges**

An early withdrawal charge may be deducted if You withdraw more than Your permitted free withdrawal amount. The early withdrawal charge is equal to the percentage(s) shown on page 1 of the amount of premium withdrawn. After seven years from the Policy Date an early withdrawal charge will not apply.

The table on page 10 shows the minimum Withdrawal Values We guarantee. These values could be greater if We pay or credit interest in excess of the guaranteed minimum interest rate.

### **Income Tax Consequences**

Withdrawals from Your annuity may be subject to federal and state income taxes. For tax purposes,

withdrawals will be treated as coming first from interest earnings, and as a return of premium only after earnings have been exhausted. Income taxes may apply sooner if the Owner is not a natural person and if an exception to annual taxation does not apply. Income taxes may also apply sooner if You transfer all rights in this policy to another Owner or Annuitant.

The taxable portion of withdrawals taken before You reach age 59½ may be subject to an additional 10% federal income tax. This penalty tax is distinct and separate from any early withdrawal charge that may apply. If the Annuity Date is not more than one year after the Policy Date or if You begin an Income Plan with payments over Your life or life expectancy, this additional 10% tax may not apply.

Consult Your tax advisor regarding Your specific situation.

### **Partial Withdrawals**

You may withdraw a portion of the Annuity Value any time before an income plan has begun. Withdrawal requests must be for a minimum of [\$250]. Your withdrawal, plus any early withdrawal charge as described above, will be deducted from Your Annuity Value. Your Annuity Value after a partial withdrawal must be at least [\$2,000].

### **Full Withdrawal/Termination**

A full withdrawal will terminate Your policy. If You make a full withdrawal within seven years of the Policy Date, the early withdrawal charges will apply.

### **Deferral of Payments**

In accordance with state law, We may defer payments up to six months after receiving a request for partial or full withdrawal, subject to written approval by the insurance commissioner of the state where this policy is delivered. If We

defer payment, interest will continue to accrue until the payment is made.

## INCOME PLANS

An income plan allows You to apply Your Annuity to create a guaranteed income for life or for a specified period. An income plan begins on the Annuity Date. As of the Annuity Date, the Owner and the Annuitant will be the same (Owner/Annuitant). The Owner may select either the Owner or the Annuitant to be the Owner/Annuitant, beginning on the Annuity Date, subject to the limitations described in this section and in the *Annuitant* provision of this policy.

If the Owner is a natural person, and if the Owner does not elect otherwise, the Owner will be the Owner/Annuitant on the Annuity Date. If the Owner is not a natural person, and if the Owner does not elect otherwise, the Annuitant will be the Owner/Annuitant on the Annuity Date. An Annuitant who is also a representative of an Owner that is not a natural person, such as an Annuitant who is the trustee of the trust under which the policy is held, may receive income plan payments in a representative capacity.

Any change of Owner or Annuitant can have income tax consequences, and may cause the distribution requirements in this policy to apply. We will pay the income to the Owner or a designated payee.

The amount of income paid under an income plan will depend on the amount applied to purchase the Plan, less premium tax, if any, and the income plan option selected. The minimum income plan values are based on the [A2000 Individual Annuity Valuation Table], sex distinct, with interest at [1.5%]. The attained age at annuitization will be adjusted downward by one year for each full five year period that has elapsed since January 1, 2000. The table on page 11 shows the guaranteed minimum income plan values for monthly payments. These amounts could be greater, depending on the actual interest rates and the payment frequency selected.

For each plan, the amount shown under the Annuitant's sex and age as of the Annuity Date is the minimum amount that We will pay monthly for each \$1,000 applied to purchase the plan. Upon request, We will provide information on payment amounts for other ages or for unisex mortality factors. (See *Employer-Sponsored Plans* on page 9 for more information.)

You choose the Annuity Date. The Annuity Date may be any time after three years from the Policy Date. (You may choose an earlier Annuity Date, but the early withdrawal charge will be deducted before the income payment amount is calculated.)

If You do not elect an earlier date, income payments will start when the Owner reaches age 100. The income plan options are described below. If You do not choose another income plan, We will pay according to Plan B, with payments guaranteed for ten years.

Your income plan options are:

**Plan A - Life Income:** Provides income payments for the Annuitant's entire lifetime. Income payments will end upon the Annuitant's death.

**Plan B - Life Income with 5, 10, 15 or 20 Years Guaranteed:** Provides income payments for as long as the Annuitant lives. If the Annuitant dies before the guarantee period is over, We will continue to make payments until the end of the guarantee period. You choose the guarantee period of 5, 10, 15 or 20 years.

**Plan C - Life Income with Installment Refund:** Provides income payments for as long as the Annuitant lives. If the Annuitant dies before the guarantee period is over, We will continue to make payments until the total amount applied to the plan has been refunded. The length of the guarantee period is calculated by dividing the amount applied to the income plan by the monthly income payment amount.

**Plan D - Fixed Amount:** Provides fixed amount income payments for a minimum of five years and

a maximum of 20 years in an amount elected until the amount applied is exhausted.

**Plan E - Fixed Period Income:** Provides equal periodic income payments for a predetermined number of years only. The fixed period may be from five to 20 years.

Payments may be made according to one of these income plans or as We otherwise agree.

At least 30 days prior to the Annuity Date, You must:

- Return this policy.
- Indicate the income plan You have elected.

After an income plan begins, Your policy will change:

- Your Annuity on the day the income plan starts will be applied to the income plan of Your choice.
- This annuity policy will be terminated and replaced with our agreement to make periodic payments under the income plan selected.
- No further withdrawals may be made.
- Income payments will be made monthly, quarterly, semiannually or annually, as may be requested. The minimum payment is [\$50]. We will make payments less frequently if Your chosen payment schedule results in a smaller payment. We may periodically require proof that the Annuitant is still living.

## DEATH BENEFITS

### Death of Annuitant Before Annuity Date

If an Annuitant who is not an Owner dies before the Annuity Date, the Owner may designate a new Annuitant, subject to our underwriting rules then in effect. If no designation is made within 30 days of the death, the Owner will become the Annuitant. If the Owner is a non-natural person, the death of the Annuitant will be treated as the death of the Owner; a new Annuitant may not be chosen.

### Death of Owner Before Annuity Date

The Annuity Value will be paid to the beneficiary upon the death of any Owner before an income plan begins. (If the Owner's Spouse is the sole beneficiary, there is an important exception, which is explained below.) Upon the death of a Joint Owner, the surviving Joint Owner, if any, will be treated as the primary beneficiary (unless the Joint Owners have notified Us in writing prior to the death of a Joint Owner that the surviving Joint Owner will not be the primary beneficiary). Any other beneficiary designation on record at the time of death will be treated as a contingent beneficiary.

If We receive a claim for the death benefit and proof that the death occurred before an income plan began, We will pay the Annuity Value to the beneficiary. The beneficiary may choose to receive it:

1. In a single sum paid within five years of the date of death; or
2. Under any of the income plans described in *Income Plans* on page 7. In this case, the beneficiary functions as the Owner and Annuitant and may choose a new beneficiary. The income must start no later than one year after the date of death. In addition, the income must be over a period, which does not exceed the life or life expectancy of the beneficiary. Income plan options are available only if the beneficiary is a natural person.

**Surviving Spouse Exception:** If the Owner's spouse is the sole beneficiary, upon the death of the Owner, the surviving spouse may, upon request, become the Owner and Annuitant of the policy, continuing the policy. Otherwise, the surviving spouse may select an income plan option or request that We pay the Annuity Value in a single sum.

The Annuity Value will continue to earn interest until the date one of the above options goes into effect. If We do not receive a written notice of the option selected within 60 days after We receive

acceptable proof of death, the Annuity Value will be paid as a single sum.

### **Death After Annuity Date**

If the Annuitant dies while payments are being made under an income plan, those payments will end unless the income plan chosen calls for payments to continue after the Annuitant's death. These payments will be made at least as rapidly as they were being made at the time of death.

### **GENERAL INFORMATION**

**The Contract.** The annuity policy, schedule page, Your application, and any riders or endorsements constitute the entire contract. All statements made in the application are, in the absence of fraud, representations and not warranties.

**Your Application.** By signing the annuity application You agree that:

- All the statements and answers given by You on the application are true and complete to the best of Your knowledge.

A copy of the application is provided to You as part of this annuity policy.

**Misstatement of Age or Sex.** You will, upon request, provide proof of the Annuitant's birth date and sex. If the birth date or sex has been previously misstated, income amounts will be adjusted to the proper amounts for the true age or sex.

**Changes.** No change will be made that adversely affects Your rights unless the change is required by law. However, subject to any required regulatory approval, We may modify the policy so as to qualify as an annuity under the provisions of the Internal Revenue Code, as may be amended. You will be provided with notice of any change affecting Your policy.

Only an officer of Western National Life Insurance Company may modify any annuity policy or waive any requirement in the application. Any changes must be in writing and signed by an authorized officer.

**Nonparticipating.** This annuity policy pays no dividends and has no voting rights.

**Incontestable.** This annuity policy is incontestable.

**Employer-Sponsored Plans.** This annuity policy will have unisex mortality factors applied to its income plan if the policy is part of an employer-sponsored retirement plan under the provisions of Internal Revenue Code sections 401, 403, 457 or other pertinent section.

**Applicable Law.** This annuity policy is governed by the laws of the state in which it is delivered. All Annuity Values, Withdrawal Values, paid-up annuities or death benefits available from this annuity policy are at least equal to those required by that state.

**Annual Statement.** We will send You a statement showing Your Annuity Value, Your Withdrawal Value and the activity in Your annuity at least once each policy year until You start an income plan.

**Premium Tax.** Some states charge a premium tax on annuities. If a premium tax is due, We may find it necessary to deduct the tax from the sum of Your premium payments, or from Your Annuity Value at the time of withdrawal or when the Annuity Value is applied to an income plan.

[ 205 East 10<sup>th</sup> Avenue  
Amarillo, Texas 79101  
Telephone 800.424.4990 ]

**ACCUMULATION TABLE**  
GUARANTEED VALUES\*

<b>End of Policy Year</b>	<b>Annuity Value Increase</b>	<b>Annuity Value End of Year</b>	<b>Withdrawal Value</b>
1	\$[10,100	10,100	9,326
2	101	10,201	9,547
3	102	10,303	9,725
4	103	10,406	9,905
5	104	10,510	10,089
6	105	10,615	10,275
7	106	10,721	10,549
8	107	10,829	10,829
9	108	10,937	10,937
10	109	11,046	11,046
11	110	11,157	11,157
12	112	11,268	11,268
13	113	11,381	11,381
14	114	11,495	11,495
15	115	11,610	11,610
16	116	11,726	11,726
17	117	11,843	11,843
18	118	11,961	11,961
19	120	12,081	12,081
20	121	12,202	12,202
21	122	12,324	12,324
22	123	12,447	12,447
23	124	12,572	12,572
24	126	12,697	12,697
25	127	12,824	12,824
26	128	12,953	12,953
27	130	13,082	13,082
28	131	13,213	13,213
29	132	13,345	13,345
30	133	13,478	13,478
31	135	13,613	13,613
32	136	13,749	13,749
33	137	13,887	13,887
34	139	14,026	14,026
35	140	14,166	14,166
36	142	14,308	14,308
37	143	14,451	14,451
38	145	14,595	14,595
39	146	14,741	14,741
40	147	14,889	14,889 ]

\* Values shown assume:

- A \$10,000 single premium payment at the beginning of the first policy year;
- The guaranteed minimum interest rate of [1.0%] for all applicable years;
- No prior withdrawals.

**MINIMUM MONTHLY INCOME PLAN PAYMENTS  
PER \$1,000 OF ANNUITY VALUE USED TO PURCHASE AN INCOME PLAN**

Attained Age of Payee When First Installment is Payable	PLAN A, B and C TABLES												PLAN E TABLE	
	MALE and FEMALE												No. of Years Payable	Fixed Period Income
	PLAN A Life Income		PLAN B Life Income with Guaranteed Period								PLAN C Life Income with Installment Refund			
			5 years		10 years		15 years		20 years					
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female			
50	[\$3.28	\$3.03	\$3.27	\$3.03	\$3.25	\$3.02	\$3.22	\$3.00	\$3.17	\$2.98	\$3.05	\$2.89	5	\$17.28
51	3.35	3.09	3.34	3.09	3.32	3.08	3.29	3.06	3.23	3.03	3.10	2.94	6	14.51
52	3.42	3.16	3.42	3.15	3.40	3.14	3.36	3.12	3.29	3.09	3.16	2.99	7	12.53
53	3.50	3.22	3.50	3.22	3.47	3.21	3.43	3.19	3.35	3.15	3.22	3.04	8	11.04
54	3.59	3.30	3.58	3.29	3.55	3.28	3.50	3.25	3.42	3.21	3.28	3.10	9	9.89
55	3.68	3.37	3.67	3.37	3.64	3.35	3.58	3.32	3.48	3.27	3.35	3.16	10	8.96
56	3.77	3.45	3.76	3.45	3.72	3.43	3.66	3.39	3.55	3.33	3.41	3.22	11	8.21
57	3.87	3.54	3.86	3.53	3.82	3.51	3.74	3.47	3.62	3.40	3.48	3.29	12	7.58
58	3.98	3.63	3.96	3.62	3.91	3.60	3.83	3.55	3.69	3.47	3.56	3.36	13	7.05
59	4.09	3.72	4.07	3.72	4.02	3.69	3.92	3.63	3.75	3.54	3.63	3.43	14	6.59
60	4.21	3.82	4.19	3.81	4.13	3.78	4.01	3.72	3.83	3.62	3.71	3.50	15	6.20
61	4.33	3.93	4.31	3.92	4.24	3.88	4.10	3.81	3.90	3.69	3.80	3.58	16	5.85
62	4.47	4.05	4.44	4.03	4.36	3.99	4.20	3.90	3.97	3.77	3.88	3.66	17	5.55
63	4.61	4.17	4.58	4.15	4.49	4.10	4.30	4.00	4.04	3.84	3.98	3.75	18	5.27
64	4.77	4.30	4.73	4.28	4.62	4.22	4.41	4.11	4.11	3.92	4.07	3.84	19	5.03
65	4.93	4.43	4.89	4.41	4.76	4.34	4.51	4.21	4.17	4.00	4.18	3.93	20	4.81]
66	5.11	4.58	5.06	4.56	4.90	4.48	4.62	4.32	4.24	4.07	4.28	4.03		
67	5.29	4.74	5.24	4.71	5.05	4.62	4.73	4.43	4.30	4.15	4.39	4.14		
68	5.49	4.91	5.42	4.88	5.20	4.76	4.83	4.55	4.36	4.22	4.51	4.25		
69	5.70	5.09	5.62	5.05	5.36	4.92	4.94	4.66	4.42	4.29	4.63	4.37		
70	5.93	5.29	5.83	5.24	5.53	5.08	5.05	4.78	4.47	4.36	4.76	4.49		
71	6.17	5.50	6.06	5.44	5.70	5.25	5.15	4.90	4.52	4.42	4.90	4.62		
72	6.43	5.73	6.29	5.66	5.87	5.43	5.25	5.02	4.56	4.48	5.04	4.76		
73	6.70	5.97	6.54	5.89	6.05	5.62	5.35	5.14	4.60	4.53	5.19	4.90		
74	7.00	6.24	6.80	6.14	6.23	5.81	5.44	5.25	4.64	4.58	5.34	5.06		
75	7.31	6.53	7.08	6.41	6.42	6.01	5.53	5.36	4.67	4.62	5.51	5.22		

All values shown are based on an interest rate of [1.5%].



**WESTERN  NATIONAL**  
**Life Insurance Company**

[ 205 East 10<sup>th</sup> Avenue  
Amarillo, Texas 79101  
Telephone 800.424.4990 ]

**SINGLE PREMIUM DEFERRED ANNUITY POLICY**

**SINGLE PREMIUM DEFERRED ANNUITY  
ANNUITY PAYMENTS TO BEGIN ON ANNUITY DATE  
THIS ANNUITY IS NON-PARTICIPATING – DIVIDENDS ARE NOT PAYABLE**

**SCHEDULE PAGE**

**Owner:** [John Doe]

**Joint Owner:** \_\_\_\_\_

**Annuitant:** [John Doe]

**Contract No.:** [H123456]

**Date of Issue:** [01/01/2012]

**Annuity Date:** [01/01/2042]

**Single Premium:** [\$10,000]

**Interest Rates: The interest rate on the single premium is guaranteed as follows:**

**[One Year Guarantee:**

Current Rate: .....	[1.05%]
Interest Rate Enhancement: .....	[1.00%]
[Interest Rate Enhancement for single premium of \$100,000 or more: .....	1.00%]
Total One Year Current Rate: .....	[3.05%]

**[One Year Guarantee:**

**Current Rate Year 1: .....** [1.05%]

**The guaranteed minimum interest rate for the life of your contract is [1.00%].**

**SCHEDULE PAGE**

**Owner:** [John Doe] \_\_\_\_\_

**Joint Owner:** \_\_\_\_\_

**Annuitant:** [John Doe] \_\_\_\_\_

**Contract No.:** [H123456] \_\_\_\_\_

**Date of Issue:** [01/01/2012] \_\_\_\_\_

**Annuity Date:** [01/01/2042] \_\_\_\_\_

**Single Premium:** [\$10,000] \_\_\_\_\_

**Interest Rates: The interest rate on the single premium is guaranteed as follows:**

**[Three Year Guarantee:**

Current Rate: ..... [1.25%]  
Interest Rate Enhancement: ..... [.30%]  
[Interest Rate Enhancement for single premium of \$100,000 or more: ..... 1.00%]  
Total Three Year Current Rate: ..... [2.55%]

**[Three Year Guarantee:**

**Current Rate Years 1-3:** ..... [1.25%]

**The guaranteed minimum interest rate for the life of your contract is [1.00%].**

**SCHEDULE PAGE**

**Owner:** [John Doe]

**Joint Owner:** \_\_\_\_\_

**Annuitant:** [John Doe]

**Contract No.:** [H123456]

**Date of Issue:** [01/01/2012]

**Annuity Date:** [01/01/2042]

**Single Premium:** [\$10,000]

**Interest Rates:** The interest rate on the single premium is guaranteed as follows:

**Five Year Guarantee:**

**Current Rate Years 1-5:** ..... [1.20%]

The guaranteed minimum interest rate for the life of your contract is [1.00%].

**SCHEDULE PAGE**

**Owner:** [John Doe]

**Joint Owner:** \_\_\_\_\_

**Annuitant:** [John Doe]

**Contract No.:** [H123456]

**Date of Issue:** [01/01/2012]

**Annuity Date:** [01/01/2042]

**Single Premium:** [\$10,000]

**Interest Rates:** The interest rate on the single premium is guaranteed as follows:

**Seven Year Guarantee:**

**Current Rate Years 1-7:** ..... [1.20%]

The guaranteed minimum interest rate for the life of your contract is [1.00%].

# Single Premium Deferred Annuity Application

205 East 10<sup>th</sup> Avenue  
Amarillo, Texas 79101  
Telephone 800.424.4990

5 Year       7 Year ]

**OWNER (All Policyholder correspondence will be sent to this address.)**

Name: John Doe Sex: M Age: 35 DOB: 07/25/1972  
Address: 123 Main Street Marital Status: Married SSN: 999-99-9999  
Anywhere, USA XXXXX Daytime Phone: 713.555.1234

**JOINT OWNER (Optional. Non-Qualified Annuities only.)**

Name: \_\_\_\_\_ Sex: \_\_\_\_\_ Age: \_\_\_\_\_ DOB: \_\_\_\_\_  
Marital Status: \_\_\_\_\_ SSN: \_\_\_\_\_ Daytime Phone: \_\_\_\_\_

**ANNUITANT (if different from the Owner.)** Upon the death of the Annuitant, Owner may designate a new Annuitant. If no designation is made within 30 days of the death of the Annuitant, the Owner will become the Annuitant.

Name: \_\_\_\_\_ Sex: \_\_\_\_\_ Age: \_\_\_\_\_ DOB: \_\_\_\_\_  
Address \_\_\_\_\_ Phone: \_\_\_\_\_ SSN: \_\_\_\_\_  
Relationship to Owner: \_\_\_\_\_

**OWNER'S BENEFICIARY DESIGNATION – In the event of death of Owner, surviving Joint Owner becomes Primary Beneficiary.**

If you do not want the Joint Owner to be the Primary Beneficiary, check here and name Beneficiary below.

Primary Beneficiary: Name: \_\_\_\_\_ Relationship: \_\_\_\_\_  
Contingent Beneficiary: Name: \_\_\_\_\_ Relationship: \_\_\_\_\_

**INTEREST RATE** (Interest is credited and compounded daily to achieve the annual rate. To achieve this rate, the premium must be left for a full year without any withdrawals.) The guaranteed minimum interest rate for the life of your policy is [ 1.00 ] %.

[Premium Guarantee: I do  do not  elect the Return of Premium Guarantee.]

[1 year. The Interest Rate on the Single Premium is [ 4.10 ]% for 1 year. This rate includes a [ 1.00 ]% enhancement payable for 1 years.]

[3 year. The Interest Rate on the Single Premium is [ \_\_\_ ]% for 3 years. This rate includes a [ \_\_\_ ]% enhancement payable for 3 years.]

[5/7 year. The Interest Rate on the Single Premium is [ \_\_\_ ]% for [ \_\_\_ ] years.]

**PURCHASE PAYMENT**

Policy Number: H123456 Policy Date: 01/01/2012  
Single Premium Payment: \$ 10,000 Annuity Income Date: 01/01/2042

PLAN TYPE (required):  Non-Qualified  Qualified

Tax-Qualified Plans:  Traditional IRA  SEP IRA  Roth IRA  401 Corporate Plan  Other: \_\_\_\_\_ ]

Check one:  Initial Contribution for Tax Year \_\_\_\_\_  Transfer  Rollover  Roth IRA Conversion Year \_\_\_\_\_

**SIGNATURES** Checks must be made payable to **Western National Life Insurance Company**.

[Do you have any existing life insurance policies or annuity contracts?  Yes  No

Will this annuity replace, discontinue or change any existing life insurance or annuity contract issued by any company?  Yes  No (If yes, complete the following.) Company \_\_\_\_\_ Policy No. \_\_\_\_\_

Are you an active duty service member of the United States Armed Forces?  Yes  No]

I understand this annuity is not federally insured. I have read and understand the important disclosures located on the reverse of this application. I represent that all statements and answers in this application are complete and true, on my behalf and any person who may claim any interest under this policy.

X John Doe X \_\_\_\_\_  
Owner's Signature Joint Owner's Signature (if applicable)

Signed at (city/state): Anywhere, USA XXXXX on (date): 01/01/2012

**REPRESENTATIVE INFORMATION**

[To the best of my knowledge the applicant has an existing life insurance policy or annuity contract.  Yes  No

Do you have any reason to believe this annuity will replace, discontinue or change any existing life insurance or annuity?  Yes  No

As agent, have you complied with all State Replacement Regulations and completed all required State Replacement forms?  Yes  No  
By signing this form, I certify that I have truly and accurately recorded herein the information provided by the applicant.]

X Bill Agent \_\_\_\_\_ ABC Insurance Agency #12345 \_\_\_\_\_  
Licensed Agent's Signature Agency Name and Number

Bill Agent State Lic.#: 45678 Agent#: 24-7  
Licensed Agent (Print name)

## DISCLOSURES

**[REDEMPTIONS FROM OPTIONAL RETIREMENT PROGRAMS AND OTHER PLANS:** Distributions from employer-sponsored retirement programs, including optional retirement programs, will be subject to any limitations imposed by the plan.

**For Louisiana Optional Retirement Program Participants Only:** For participants in the Louisiana Optional Retirement Program, withdrawals are limited by the plan and must take the form of an annuity payable over your lifetime or the joint lifetime of you and your beneficiary.

**For Texas Optional Retirement Program Participants Only:**

- Benefits in the Texas Optional Retirement Program vest after one year and one day of participation in one or more optional retirement plans.
- Benefits under the Texas Optional Retirement Program are available to you only after you attain the age of 70 ½ years, or terminate participation by death, retirement, or termination of employment in all Texas institutions of higher education.
- Western National Life Insurance Company (WNLIC) will require written verification from the program administrator of your qualification for any requested redemption of any annuity benefits purchased under the Texas Optional Retirement Program.

**California Senior Disclosure:** Please be advised that the sale or liquidation of any stock, bond, IRA, certificate of deposit, mutual fund, annuity, or other asset to fund the purchase of this product may have tax consequences, early withdrawal penalties, or other costs or penalties as a result of the sale or liquidation, and you may wish to consult independent legal or financial advice before selling or liquidating any assets and prior to the purchase of any life or annuity products being solicited, offered for sale, or sold.]

## FRAUD WARNING

**In some states we are required to advise you of the following:** Any person who knowingly intends to defraud or facilitates a fraud against an insurer by submitting an application or filing a false claim, or makes an incomplete or deceptive statement of a material fact, may be guilty of insurance fraud.

**[Arkansas, North Dakota, South Carolina, South Dakota, and Texas Residents Only:** Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement, commits insurance fraud, which may be a crime and may subject the person to civil and criminal penalties.

**Colorado, Kentucky, New Mexico, Ohio, and Pennsylvania Residents Only:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**Alabama, District of Columbia, Louisiana, and Rhode Island Residents Only:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or knowingly presents false information in an application for insurance, is guilty of a crime and may be subject to fines and confinement in prison.

**Maryland and Massachusetts Residents Only:** Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit, or knowingly and willfully presents false information in an application for insurance, is guilty of a crime and may be subject to fines and confinement in prison.

**New Jersey Residents Only:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**Maine, Tennessee, Virginia and Washington Residents Only:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

**Oklahoma Residents Only:** Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claims for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.]

SERFF Tracking #:

AGNN-128644677

State Tracking #:

Company Tracking #:

S97-12-AR & S98-12-AR

State:

Arkansas

Filing Company:

Western National Life Insurance Company

TOI/Sub-TOI:

A021 Individual Annuities- Deferred Non-Variable/A021.003 Single Premium

Product Name:

S97-12-AR & S98-12-AR

Project Name/Number:

S97-12-AR & S98-12-AR/S97-12-AR & S98-12-AR

## Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Flesch Certification		
Comments:			
Attachment(s):			
AR-FLESCH.pdf			

		Item Status:	Status Date:
Satisfied - Item:	SOVs		
Comments:			
Attachment(s):			
SOV-S97-12-AR.pdf SOV-S98-12-AR.pdf SOV-212-8X.pdf			



## CERTIFICATION

WESTERN NATIONAL LIFE INSURANCE COMPANY, NAIC #70432, hereby certifies that the following form(s) comply with the Flesch scale of readability requirements of Ark. Stat. Ann. s 23-80-206 and s 23-80-207 as cited in the Life and Disability Insurance Policy Language Simplification Act.

<u>Form Number</u>	<u>Form Description</u>	<u>Flesch Score</u>
S97-12-AR	Single Premium Deferred Annuity	50
S98-12-AR	Single Premium Deferred Annuity	50
212-8X	SP Deferred Annuity Application	50



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Tracey Harris - Vice President

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Date

**Western National Life Insurance Company**  
**Statement of Variability for Forms:**  
**S97-12-AR, S97-12-AR-1, S97-12-AR-3, S97-12-AR-5**  
**September 27, 2012**  
**Variability denoted by the use of brackets**

<b>Variable #</b>	<b>Form/Location</b>	<b>Description</b>
1	S97-12-AR	For administrative purposes, the location, telephone number and other annuity contact information is bracketed.
2	S97-12-AR	For administrative purposes, the Officer signatures and titles are bracketed on the cover page of the policy.
3	S97-12-AR-1 S97-12-AR-3 S97-12-AR-5	The current crediting rate is bracketed. Any changes to the current crediting rate will be applicable to new issues only. The current crediting rate will fluctuate due to economic circumstances. The current crediting rate will range between 1.0% and 10%. Any change outside of this range will be filed for approval with the Department prior to implementing.
4	S97-12-AR-1 S97-12-AR-3	The interest rate enhancement is bracketed. Any change to the interest rate enhancement will be applicable to new issues only. The enhancement will fluctuate due to economic circumstances. The interest rate enhancement amount will range between .10% and 5.0%. Any change outside of this range will be filed for approval with the Department prior to implementing. If it becomes necessary, due to market or competitive factors to discontinue or not offer the enhancement the Schedule Page will print with the second option which removes all enhancement references.
5	S97-12-AR-1 S97-12-AR-3	The interest rate enhancement for a single premium over \$100,000 is bracketed. Any changes to the interest rate enhancement for a single premium over \$100,000 will be applicable to new issues only. In addition, if the Company decides not to offer the extra enhancement for single premiums above \$100,000 this statement will be removed from the schedule page. This enhancement amount will fluctuate due to economic circumstances. This interest rate enhancement amount will range between .10% and 5.0%. Any change outside of this range will be filed for approval with the Department prior to implementing.
6	S97-12-AR-1 S97-12-AR-3	The total One-Year and Three-Year current rates are bracketed. These values are the total calculations of the current rate and all applicable interest rate enhancements. These total rates will vary due to the fact that the current rate and enhancement rates will fluctuate due to economic conditions.
7	S97-12-AR S97-12-AR-1 S97-12-AR-3 S97-12-AR-5	The Guaranteed Minimum Interest Rate (GMIR) is subject to change and may vary from 1.00% - 3.00%. The GMIR is tied to the five-year Constant Maturity Treasury Rate. The schedule pages and the accumulation table will always print with a definitive minimum crediting rate. The accumulation table will include values for the current GMIR. Any changes to GMIR percent will affect newly issued policies only. The company's method for determining the GMIR is being submitted with this policy.
8	S97-12-AR	The minimum partial withdrawal amount, minimum remaining value after partial withdrawal, and the minimum income payment amount are denoted as variable by the use of brackets. Any changes will only be applicable to new issues. <ul style="list-style-type: none"> <li>• Withdrawal requests must be for a minimum of \$250 and may range between \$50 and \$500.</li> <li>• The annuity value after a partial withdrawal must be at least</li> </ul>

**Western National Life Insurance Company**  
**Statement of Variability for Forms:**  
**S97-12-AR, S97-12-AR-1, S97-12-AR-3, S97-12-AR-5**  
**September 27, 2012**  
**Variability denoted by the use of brackets**

		<p style="text-align: center;">\$2,000 and may range between \$500 and \$5,000.</p> <ul style="list-style-type: none"><li>• The minimum income payment amount is \$50 but may vary between \$50 and \$100.</li></ul>
9	S97-12-AR	The settlement option interest rate, mortality table and the values in the settlement option tables in the above captioned form are submitted on a variable basis and are denoted as variable by use of brackets [ ]. Any changes will only apply to new issues. Any change in the settlement option interest rate, mortality table or the values listed in the settlement option table will be filed with the Department for approval prior to use.



Tracey Harris - Vice President

September 27, 2012

Date

**Western National Life Insurance Company**  
**Statement of Variability for Forms:**  
**S98-12-AR, S98-12-AR-1, S98-12-AR-3, S98-12-AR-5, S98-12-AR-7**  
**September 27, 2012**  
**Variability denoted by the use of brackets**

<b>Variable #</b>	<b>Form/Location</b>	<b>Description</b>
1	S98-12-AR	For administrative purposes, the location, telephone number and other annuity contact information is bracketed.
2	S98-12-AR	For administrative purposes, the Officer signatures and titles are bracketed on the cover page of the policy.
3	S98-12-AR-1 S98-12-AR-3 S98-12-AR-5 S98-12-AR-7	The current crediting rate is bracketed. Any changes to the current crediting rate will be applicable to new issues only. The current crediting rate will fluctuate due to economic circumstances. The current crediting rate will range between 1.0% and 10%. Any change outside of this range will be filed for approval with the Department prior to implementing.
4	S98-12-AR-1 S98-12-AR-3	The interest rate enhancement is bracketed. Any change to the interest rate enhancement will be applicable to new issues only. The enhancement will fluctuate due to economic circumstances. The interest rate enhancement amount will range between .10% and 5.0%. Any change outside of this range will be filed for approval with the Department prior to implementing. If it becomes necessary, due to market or competitive factors to discontinue or not offer the enhancement the Schedule Page will print with the second option which removes all enhancement references.
5	S98-12-AR-1 S98-12-AR-3	The interest rate enhancement for a single premium over \$100,000 is bracketed. Any changes to the interest rate enhancement for a single premium over \$100,000 will be applicable to new issues only. In addition, if the Company decides not to offer the extra enhancement for single premiums above \$100,000 this statement will be removed from the schedule page. This enhancement amount will fluctuate due to economic circumstances. This interest rate enhancement amount will range between .10% and 5.0%. Any change outside of this range will be filed for approval with the Department prior to implementing.
6	S98-12-AR-1 S98-12-AR-3	The total One-Year and Three-Year current rates are bracketed. These values are the total calculation of the current rate and all applicable interest rate enhancements. These total rates will vary due to the fact that the current rate and enhancement rates will fluctuate due to economic conditions.
7	S98-12-AR S98-12-AR-1 S98-12-AR-3 S98-12-AR-5 S98-12-AR-7	The Guaranteed Minimum Interest Rate (GMIR) is subject to change and may vary from 1.00% - 3.00%. The GMIR is tied to the five-year Constant Maturity Treasury Rate. The schedule pages and the accumulation table will always print with a definitive minimum crediting rate. The accumulation table will include values for the current GMIR. Any changes to GMIR percent will affect newly issued policies only. The company's method for determining the GMIR is being submitted with this policy.
8	S98-12-AR	The minimum partial withdrawal amount, minimum remaining value after partial withdrawal, and the minimum income payment amount are denoted as variable by the use of brackets. Any changes will only be applicable to new issues. <ul style="list-style-type: none"> <li>• Withdrawal requests must be for a minimum of \$250 and may range between \$50 and \$500.</li> <li>• The annuity value after a partial withdrawal must be at least</li> </ul>

**Western National Life Insurance Company**  
**Statement of Variability for Forms:**  
**S98-12-AR, S98-12-AR-1, S98-12-AR-3, S98-12-AR-5, S98-12-AR-7**  
**September 27, 2012**  
**Variability denoted by the use of brackets**

		<p style="text-align: center;">\$2,000 and may range between \$500 and \$5,000.</p> <ul style="list-style-type: none"><li>• The minimum income payment amount is \$50 but may vary between \$50 and \$100.</li></ul>
9	S98-12-AR	The settlement option interest rate, mortality table and the values in the settlement option tables in the above captioned form are submitted on a variable basis and are denoted as variable by use of brackets [ ]. Any changes will only apply to new issues. Any change in the settlement option interest rate, mortality table or the values listed in the settlement option table will be filed with the Department for approval prior to use.



Tracey Harris - Vice President


September 27, 2012

Date

**Statement of Variability for Form 212-8X**  
**Western National Life Insurance Company**  
**August 13, 2012**  
**Variability denoted by the use of brackets**

We have bracketed or determined that the following information will be variable. Any changes will be for future use only, and on a non-discriminatory basis. We have bracketed the following information:

1. Contact Information: The location and telephone number are bracketed for administrative purposes.
2. Top of Form: Five (5) and Seven (7) year check boxes are bracketed to allow for future changes in case one policy is discontinued or changed.
3. Interest Rate section:
  - a. The current Guaranteed Minimum Interest Rate (GMIR) is 1.00%. The rate will always be equal or exceed the rate produced by the procedures filed with the Department. The GMIR will range between 1.0% to 3.0% and is tied to the five-year Constant Maturity Treasury Rate. Any changes to the GMIR will be applicable only to new issues.
  - b. The Premium Guarantee option is bracketed. Due to economic conditions we may wish to discontinue this feature at a later time. If the feature was ever discontinued, the entire sentence will be removed from the application. Any change to the availability of the feature will be for new issues only.
  - c. The guaranteed interest rate periods currently offered are 1, 3, and 5/7. The options are bracketed so that options may be removed due to unfavorable market conditions.
  - d. The current interest rates on the 1, 3, and 5/7 year may range between 1.0% and 10.0%. Any changes will apply only to new issues.
  - e. The premium enhancement applicable on the 1 year guarantee is bracketed. Any change to the premium enhancement will be applicable to new issues only. The enhancement will fluctuate due to economic circumstances. The premium enhancement amount will range between .10% and 5.0%. Any change outside of this range will be filed for approval with the Department prior to implementing.
  - f. The interest rate enhancement applicable to the 3 year guarantee is bracketed. Any change to the interest rate enhancement will be applicable to new issues only. The enhancement will fluctuate due to economic circumstances. The interest rate enhancement amount will range between .10% and 5.0%. Any change outside of this range will be filed for approval with the Department prior to implementing.
4. Qualified Information: To allow for flexibility in the information collected, Tax Qualified Plans offered, and the ability to make changes that comply with applicable state or federal requirements. Any changes will apply only to new issues.
5. Replacement Information and Representative Information: To allow for flexibility in the information collected, and to make changes to comply with state or federal requirements. Replacement information will always be on the application as required, but may be subject to change based on state or federal updates. Any changes will apply only to new issues.
6. Disclosures and Fraud Warnings: The disclosures and fraud warnings so that text may be modified to comply with changes in state law. Any changes will apply only to new issues.



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Tracey Harris - Vice President

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August 13, 2012

Date