

DISCLOSURE STATEMENT

Some features of this annuity may not be available or may vary by state. If you have any questions, please contact your producer or EquiTrust Life Insurance Company. This form is not intended to be a complete explanation of your annuity. **Please refer to your contract for complete details.**

WHAT IS AN IMMEDIATE ANNUITY?

An annuity is a financial product offered by insurance companies. CONFIDENCE INCOME ANNUITY, Contract Form Series ET-SPIA(08-06) and Group Certificate Form Series ET-SPIAC(08-06) is a single premium, immediate annuity that makes payments to the Owner at a specified frequency, based on the Annuity Option selected. You may cancel your annuity Contract within a certain number of days of your receipt to receive a complete refund of your premium (less any payments that have already been made).

HOW MUCH WILL I RECEIVE FROM MY ANNUITY?

Payments will be determined by the amount of the single premium, frequency, and the Annuity Option selected, among other factors. On Qualified plans, electing payments for a fixed number of years that exceeds your life expectancy may result in adverse tax consequences. Please consult with a tax advisor for additional information. **PLEASE NOTE: This product allows for Non-Qualified and IRA plan types only. Any qualified plan type other than IRA (including Roth IRA, SEP IRA, and SIMPLE IRA) will not be accepted.**

Payments - Payments are made to the Contract Owner. The first payment is made on the Payment Start Date. Subsequent payments will be made according to the Payment Frequency chosen by the Contract Owner.

Surrender of Contract - Once issued, the Contract is completely and permanently irrevocable and may not be surrendered. The Contract does not have any Cash Value associated with it.

WHAT TYPE OF ANNUITY PAYMENTS DOES MY CONTRACT PROVIDE?

Fixed Period Option— Payments are made to the Owner for the duration of the Fixed Period. If the Owner dies before the end of the Fixed Period, the Beneficiary(s) will continue to receive payments during the remainder of the Fixed Period. The length of the Fixed Period is elected by you on page 2 of this document.

Life Only Option – Payments will be made for the remainder of the Annuitant's Life. If the Owner is not the Annuitant, and the Owner dies before the Annuitant, the Beneficiary will continue to receive payments until the death of the Annuitant. **Upon death of the Annuitant, payments will cease.** There is no Death Benefit for this Annuity Option.

Life With Fixed Period Option – Payments will be made for the Annuitant's life or the length of the Fixed Period, if longer. If the Annuitant dies before the end of the Fixed Period, the Owner (or the Beneficiary if the Owner is deceased) will continue to receive payments until the end of the Fixed Period. The length of the Fixed Period is elected by you on page 2 of this document.

Joint Life Only Option – Payments are based on two lives. Payments will be made as long as one or both Annuitants are living. If the Owner is not an Annuitant, and the Owner dies, the Beneficiary will continue to receive payments until the death of the last living Annuitant. **Upon death of the last living Annuitant, payments will cease.** There is no Death Benefit for this Annuity Option.

Joint Life with Fixed Period Option – Payments are based on two lives. Payments will be made for the longer of both Annuitants' lives or the length of the Fixed Period. If both Annuitants die before the end of the Fixed Period, the Owner (or the Beneficiary if the Owner is deceased) will continue to receive payments until the end of the Fixed Period. The length of the Fixed Period is elected by you on page 2 of this document.

Payment Reduction (available only on Joint Life options) – This is a feature available to you for your income planning needs. In most cases, this is an optional election. Upon death of the specified Annuitant, the payment to the surviving Annuitant will be reduced by the Payment Reduction Percentage applicable to that Annuitant. Payment Reduction may be elected for one or both Annuitants. If both Annuitants die during the Fixed Period (if applicable), the higher reduction percentage will apply for the remaining payments. The Payment Reduction Percentage is selected by you on page 2 of this document. If nothing is selected, there will be no payment reduction.

Please select your Payment Information below. Once sent in and recorded at our offices, these elections can not be changed:

1. ANNUITY OPTION ELECTION

A. FIXED PERIOD ONLY: ☐ 5 years ☐ 6 years ☐ 8 years ☐ 10 years ☐ 15 years ☐ 20 years
☐ Other _____ Whole Years only. Fixed Period cannot be less than 5 years or greater than 20 years

B. LIFE INCOME:

i. ☐ Life Only

_____ I understand that in the event of the Annuitant's death, no further payments will be made.
[Initials of Owner(s)]

ii. ☐ Life with Fixed Period ☐ 5 years ☐ 10 years ☐ 15 years ☐ 20 years
☐ Other _____ Whole Years only. Fixed Period cannot be less than 5 years or greater than 20 years.

C. JOINT LIFE INCOME:

i. ☐ Joint Life Only

_____ I understand that upon the death of the last living Annuitant, no further payments will be made.
[Initials of Owner(s)]

ii. ☐ Joint Life with Fixed Period ☐ 5 years ☐ 10 years ☐ 15 years ☐ 20 years
☐ Other _____ Whole Years only. Fixed Period cannot be less than 5 years or greater than 20 years.

1st Annuitant Name _____ **D.O.B.** ____/____/____ **Social Security #** _____
Desired Payment Reduction Percentage (optional on joint options only): ☐ 25% ☐ 33.33% ☐ 50%

2nd Annuitant Name _____ **D.O.B.** ____/____/____ **Social Security #** _____
Desired Payment Reduction Percentage (optional on joint options only): ☐ 25% ☐ 33.33% ☐ 50%

NOTE: For any Life Income Option, proof of age is required for the Annuitant(s). A copy of a driver's license, passport, or birth certificate will be required for age verification prior to the Contract being issued.

2. PAYMENT FREQUENCY (MUST SELECT ONE): ☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually

NOTE: If any option other than Annually is chosen, Electronic Funds Transfer (EFT) is required. Please complete the attached Automatic Deposit Authorization Agreement.

3. PAYMENT START DATE ____/____/____
mm / dd / yy

If not specified above, payments will begin one payment period from the Contract Effective Date. If the Payment Start Date indicated is either within 30 days or beyond one year of the Contract Effective Date, the Payment Start Date and Payment amount will be adjusted accordingly.

NOTE: Your selected Payment Date reflects the date on which payments are processed at our offices. The date of payment delivery or deposit to your account may be delayed due to mailing time or bank processing time, depending on the selected delivery method.

Please select your preference for tax withholding:

TAX WITHHOLDING ELECTION

_____ I do not want to have Federal or State Income Tax withheld from the taxable portion of my payments.

_____ I would like the following Federal Income Tax withheld: \$ _____ or _____%

_____ I would like the following State Income Tax withheld: \$ _____ or _____%.

Note: If a withholding option is not selected, a 10% federal income tax will be automatically withheld. If you do not elect withholding, or if you do not have enough tax withheld, you are liable for payment of federal income tax on the taxable portion of your distribution. You may also be subject to tax penalties if your payments of estimated tax and withholding are inadequate. Subject to specific exceptions under the Internal Revenue Code, any taxable distributions from an annuity contract prior to age 59 ½ may be subject to a 10% non-deductible excise tax.

Certain states require the Company to withhold state income taxes. If you live in one of those states, state income tax will be withheld from your distribution.

- The CONFIDENCE INCOME ANNUITY is backed by the financial strength of EquiTrust Life Insurance Company. It is not guaranteed by any bank and is not insured by the Federal Deposit Insurance Corporation (FDIC) or any other agency of the federal government.
- Funded plans under the Employee Retirement Income Security Act of 1974 (ERISA) may not be used with this annuity.
- This material is not intended to provide investment advice to you or to your specific situation. EquiTrust does not offer investment advice to any individual and this material should not be construed as investment advice.
- EquiTrust Life Insurance Company can be contacted toll-free at (866) 598-3692 for further clarification if, for any reason, your understanding of your annuity is different from this explanation.

The insurance producer is appointed to represent the Company and is approved to provide services to you on our behalf. The insurance producer will be compensated by us in connection with any business placed with our Company.

By signing below, I acknowledge I have read, or have been read, this document and understand I am applying for a single premium immediate annuity. I also acknowledge that the annuity meets my financial objectives. I have received a copy of this document, as well as any advertisement that was used in connection with the sale of this annuity. I understand that there are no guarantees, promises or warranties. I have read the Important Notice Regarding Sales to Military Personnel, if applicable.

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_____ I would like the following Federal Income Tax withheld: \$ _____ or _____ %

_____ I would like the following State Income Tax withheld: \$ _____ or _____ %.

Note: If a withholding option is not selected, a 10% federal income tax will be automatically withheld. If you do not elect withholding, or if you do not have enough tax withheld, you are liable for payment of federal income tax on the taxable portion of your distribution. You may also be subject to tax penalties if your payments of estimated tax and withholding are inadequate. Subject to specific exceptions under the Internal Revenue Code, any taxable distributions from an annuity contract prior to age 59 ½ may be subject to a 10% non-deductible excise tax.

Certain states require the Company to withhold state income taxes. If you live in one of those states, state income tax will be withheld from your distribution.

OTHER NOTES

- The CONFIDENCE INCOME ANNUITY is backed by the financial strength of EquiTrust Life Insurance Company. It is not guaranteed by any bank and is not insured by the Federal Deposit Insurance Corporation (FDIC) or any other agency of the federal government.
- Funded plans under the Employee Retirement Income Security Act of 1974 (ERISA) may not be used with this annuity.
- This material is not intended to provide investment advice to you or to your specific situation. EquiTrust does not offer investment advice to any individual and this material should not be construed as investment advice.
- EquiTrust Life Insurance Company can be contacted toll-free at (866) 598-3692 for further clarification if, for any reason, your understanding of your annuity is different from this explanation.

If this annuity is replacing an existing life insurance policy, it is important that you compare the two, taking into account the loss of benefits incurred on the surrender of the existing policy and your need for the benefits provided by the annuity being purchased. For information about your existing policy, contact the issuing company.

The insurance producer is appointed to represent the Company and is approved to provide services to you on our behalf. The insurance producer will be compensated by us in connection with any business placed with our Company.

Applicant Statement:

By signing below, I acknowledge I have read, or have been read, this document and understand I am applying for a single premium immediate annuity. I also acknowledge that the annuity meets my financial objectives. I have received a copy of this document, as well as any advertisement that was used in connection with the sale of this annuity. I understand that there are no guarantees, promises or warranties. I have read the Important Notice Regarding Sales to Military Personnel, if applicable.

Signature of Owner/Applicant Date

Signature of Joint Owner/Applicant Date

Name of Owner/Applicant (please print)

Name of Joint Owner/Applicant (please print)

Owner Social Security #

Joint Owner Social Security #

Spouse Signature (If Applicable) Date

Spouse signature is required where community property laws are applicable. State jurisdictions with community property laws are Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin.

Producer 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 sales of this annuity, 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 nonguaranteed elements. I have provided the client the Important Notice Regarding Sales to Military Personnel, if applicable.

Signature of Producer Date

Producer 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



AUTOMATIC DEPOSIT AUTHORIZATION AGREEMENT

NOTE: If automatic deposit is already established on this contract, use this form only to revise or update bank account information.

EquiTrust Contract Owner/Joint Owner: _____ **Contract Number:** _____

Contract type: ☐ Deferred Annuity Contract ☐ Single Premium Immediate Annuity

AGREEMENT

I hereby authorize EquiTrust Life Insurance Company® to make direct deposits to my account and for the bank named below to accept these deposits. I also authorize EquiTrust to make withdrawals from this account in the event that a credit entry is made in error.

This authority is to remain in force until EquiTrust has written notification from me of its termination in such time and in such manner as to afford EquiTrust a reasonable opportunity to act on it.

BANK ACCOUNT INFORMATION

Account Owner Name: _____ Joint Owner Name: _____
(as it appears on the account) (as it appears on the account)

Owner Social Security #: _____ Joint Owner Social Security #: _____

Account Owner Signature: _____ Joint Account Owner Signature: _____

Date Signed: _____ Date Signed: _____

EquiTrust Contract Owner Signature: _____

EquiTrust Contract Joint Owner Signature: _____

Account Information: ☐ Checking ☐ Savings
Must be checking or savings account, no money market or brokerage accounts

Bank Name: _____

Address: _____

City, State, Zip: _____

Bank Routing Number (9 digits): _____

Bank Account Number: _____

Important Notes:

- **Amounts greater than \$50,000 must be distributed via check.**
- **The electronic transfer of funds may take 2-3 business days to reach your account once funds are released from our office and is subject to your bank processing time.**