

# Flexible Premium Deferred Annuity

## An Easy Way To Save for Retirement



The Flexible Premium Deferred Annuity offers a robust set of features, including the acceptance of additional deposits through the life of the contract. This annuity is an ideal choice for a safety-focused saver who appreciates deposit flexibility, principal protection, tax-deferred growth and generous access to funds.

### Eligibility

A Flexible Premium Deferred Annuity may be established for an owner and annuitant age 90 or younger. The minimum premium amount is \$600 total first-year deposit and the maximum is \$1,000,000. Greater amounts may be considered, but must receive home-office approval prior to application.

#### Unique Feature : Premium Flexibility

Additional payments may be made through the life of the contract. The total premium in any year cannot be more than 200% of previous-year deposits or \$10,000 (whichever is less) without prior approval. Additional premiums will receive the interest rate in effect at the time the premium is received.

### Surrender-Charge Period

Unlike short-term savings products, deferred annuities are designed and priced for long-term retirement savings. Part of this design relies on the fact that the advantages of tax deferral work best when the annuity's growth is allowed to compound over time. So, though all or a portion of the funds may be withdrawn at any time, early withdrawals are discouraged and are subject to surrender charges.

Expressed as a percentage of the annuity's total value, these charges diminish to zero over time. This schedule is in effect for only one period during the life of the contract and will not reset.

Please note that the surrender charges are not a part of or associated with the IRS tax imposed on a distribution or with the IRS pre-age-59½ tax penalty that may apply to a withdrawal. Surrender charges are in addition to any IRS liabilities.

### Flexible Premium Deferred Annuity

|                                   |    |    |    |    |    |    |    |    |    |     |
|-----------------------------------|----|----|----|----|----|----|----|----|----|-----|
| A withdrawal in year:             | 1  | 2  | 3  | 4  | 5  | 6  | 7  | 8  | 9  | 10+ |
| Results in a surrender charge of: | 9% | 8% | 7% | 6% | 5% | 4% | 3% | 2% | 1% | 0%  |

Withdrawals must be at least \$500, and a minimum balance of \$2,000 must be maintained. An additional 10% IRS penalty may apply to withdrawals before age 59½.

### Principal Guarantee

The owner is always guaranteed never to receive less than 100% of premium, net of any withdrawals or loans taken.

### Rate Guarantees

Each annuity deposit will be credited an interest rate that is guaranteed for one year. After that guarantee period, each deposit will receive subsequent renewal rates based on the current economic and interest-rate environment.

Additional premiums will receive the interest rate in effect at the time the deposit is received. The annuity contract is assigned a guaranteed minimum rate; renewal rates will never be set below this rate. Interest is calculated and credited daily.

*Tax-deferred annuities benefit from the effect of "triple-compounding," meaning that an annuity earns interest on the principal (initial premium payment); on the interest itself (amount credited as account growth based on the contract interest rate); and on the amount that would have been paid as income taxes.*

continued on reverse

## Tax-Qualification Options

This annuity may be established as an Individual Retirement Annuity, 403(b) Tax-Sheltered Annuity or Simplified Employee Pension to initiate or continue a qualified retirement savings account.

Lump-sum deposits and complete or partial exchanges of non-qualified funds may also be accepted into this annuity.

## Time To Reflect on The Purchase

From the date the annuity contract is delivered, an owner has 30 days to consider the purchase. If the transaction is terminated during those 30 days, Standard Insurance Company will return all premium, net of any withdrawals taken.



## Accessing Funds

While withdrawals are discouraged until the annuity has completed its surrender-charge period, some are permitted under certain circumstances. There are no surrender charges associated with the following options, but an IRS penalty may apply before age 59½.

### Interest Payments

After 30 days, regular withdrawals of interest earnings may be made on the schedule requested.

### 10% Annual Withdrawals

After the first contract year, annual withdrawals of up to 10% of the annuity value may be made. This percent would be inclusive of all withdrawals.

### 403(b) Tax-Sheltered Annuity Loans

If the annuity contract is held as a 403(b) Tax-Sheltered Annuity, loans may be available from the contract.

### Required Minimum Distributions

If the contract is held as a tax-qualified plan, beginning immediately IRS Required Minimum Distributions may be made on the schedule requested.

## Advantages of Tax Deferral

Taxes will be due only when withdrawals or distributions are made from the annuity. This will generally be during retirement, when most people find themselves in a lower tax bracket. As a result, interest accumulates on principal, earnings and on money otherwise paid in income taxes.

## Substantially Equal Periodic Payments

Beginning immediately IRS 72(t) or 72(q) withdrawals may be made on the schedule requested.

## Life-Changing Scenarios

After the first contract year, if the owner becomes a nursing-home resident for 30 or more consecutive days or is diagnosed with a terminal condition, withdrawals may be made.

*An applicant currently confined to a nursing home will not be eligible for the nursing-home waiver.*

## Annuitization

At any time the annuity may be converted to a payout annuity with The Standard.

## Death Benefits

Beginning immediately, upon the death of the annuitant the full annuity value is payable as death benefits to the named beneficiary.

Annuities are intended as long-term savings vehicles.

The Flexible Premium Deferred Annuity is a product of Standard Insurance Company. It may not be available in some states. The annuity is not guaranteed by any bank or credit union and is not insured by the FDIC or any other governmental agency. The purchase of an annuity is not a provision or condition of any bank or credit union activity. Some annuities may go down in value.

The guarantees of the annuity are based on the financial strength and claims-paying ability of Standard Insurance Company. An annuity should not be purchased as a short-term investment.

Contract: FPDA (12/03). Riders: ICC17-R-DB, ICC17-R-EIO, ICC17-R-GOP, ICC17-R-NHB, ICC17-R-TCB, ICC17-R-POF, ICC17-R-IRA, ICC17-R-ROTH IRA, ICC17-R-QPP, ICC18-R-ERTSA, ICC17-R-NERTSA, R-DB, R-EIO, R-GOP, R-NHB, R-TCB, R-POF, R-IRA, R-ROTH IRA, R-QPP, R-ERTSA, R-ERTSA, R-NERTSA.

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