

ANNUITY DISCLOSURE STATEMENT

THIS DISCLOSURE STATEMENT WITH ALL APPLICABLE BLANKS FILLED IN IS FOR YOUR PROTECTION. IT GIVES YOU BASIC INFORMATION ABOUT THE ANNUITY BEING CONSIDERED. READ IT CAREFULLY BEFORE SIGNING ANY AGREEMENT TO BUY AN ANNUITY OR ACCEPTING YOUR CONTRACT.

THIS DISCLOSURE STATEMENT IS NOT INTENDED TO BE A COMPLETE EXPLANATION OF YOUR ANNUITY. ONLY YOUR ANNUITY CONTRACT CONTAINS COMPLETE DETAILS. PLEASE READ THIS DISCLOSURE.

A. Annuitant: Name: _____ Age _____ Sex _____

Applicant (if different than Annuitant): Name: _____

Descriptive Title of Coverage: _____ Premium Deferred Annuity, Form: _____

B. Insurer: Catholic Ladies of Columbia, A Fraternal Benefit Society

Home Office Address of the Insurer: 700 Taylor Road, Suite 280, Gahanna, OH 43230-3320

Phone: (614)944-4743

(Direct all correspondence to this address.)

C. Description: A whole life fixed annuity is a contract whereby for premium or multiple premiums received, the Insurer (B), agrees to pay the Owner income from this annuity at a later date. Annuities are meant to provide funds for retirement and are considered to be long term. (See Buyer's Guide)

Note: If an Owner other than the annuitant, purchases the annuity, that Owner shall have control of the annuity contract issued until ownership is transferred to the annuitant.

- (i) The interest rate on accumulated funds paid to the Insurer on this annuity is guaranteed to never be less than 3%.
- (ii) The actual interest credited rate (non-guaranteed) on premiums paid to the Insurer will be based on the new money rates in effect at the time the money is received and that rate is guaranteed for one year. Thereafter, the credited interest rate is subject to periodic review by the Insurer and will change from time to time. The Insurer board may declare a dividend which is also a non-guaranteed element.
- (iii) At settlement, the interest rate payable on the periodic income option selected by the Annuitant shall be as established by the Insurer, but not less than 3%. See the Annuity Buyer's Guide for a complete description of the periodic income options, also referred to as settlement options or income payment options.
- (iv) Withdrawals during the first year of the contract are subject to a withdrawal charge of _____%; second year _____%; and thereafter decreasing by 1% each year. No withdrawal charge after the _____ year. The withdrawal charges are based on the amount withdrawn. After the first year, the Owner may withdraw, each contract year, up to 10% of the anniversary date cash value, without a withdrawal charge.
- (v) The cash value of the annuity will be paid upon maturity or alternate maturity date of the contract; or at the death of the Annuitant. The cash surrender value is paid upon the Owner's request for the surrender value of the contract. Partial withdrawals are available also.
- (vi) The death benefit; payable at the death of the Annuitant, shall be the contract cash value as of the date of death. The contract cash value is (1) the sum of premiums paid; plus (2) interest credits; plus (3) any dividends added; less (4) any withdrawals.
- (vii) Federal Income tax on the taxable portion of the annuity proceeds will be deferred until the Annuitant or Beneficiary draws funds from the annuity or on funds paid to a beneficiary. If taxable proceeds are withdrawn by the Owner prior to age 59 1/2, there may be a 10% Federal Excise tax payable on the taxable portion of funds withdrawn.
- viii) Riders added: None

D. Fees and Charges: None

CERTIFICATION OF DISCLOSURE STATEMENT DELIVERY

I certify the original copy of this Disclosure Statement was given to the Proposed Annuitant no later than the time the application was signed by the Applicant _____; or within five days after receipt of application _____; along with the Annuity Buyer's Guide.

Representative or Home office employee: _____ (Name, Please Print) _____ (Signature)

Representative agency address: _____ Telephone: _____