



- NEW ERA LIFE INSURANCE COMPANY
- PHILADELPHIA AMERICAN LIFE INSURANCE COMPANY
- NEW ERA LIFE INSURANCE COMPANY OF THE MIDWEST

P. O. Box 4884 • Houston, TX 77210-4884
 11720 Katy Freeway, Suite 1700 • Houston, TX 77079
 281-368-7200 • 800-713-4680 • Fax: 281-368-7144 • www.NewEraLife.com

TOP CHOICE
3 & 5

Disclosure Form

This disclosure form highlights key features and benefits of the TOP CHOICE 3 & 5 annuities.

TAX ADVANTAGES – TAX DEFERRED PLAN

Although an annuity does not eliminate your tax liability on interest earnings, under current tax law all interest earned accumulates on a tax-deferred basis. Tax deferral is currently available only to individual owners and certain trusts, not to corporations or other non-individuals.

SINGLE PREMIUM DEFERRED ANNUITIES

The TOP CHOICE 3 & 5 are single premium deferred annuities. Additional premiums may not be added in the future.

NO SALES CHARGES OR FEES

There are with no annual maintenance fees and no front-end sales loads. **100% of your money works for you!** However, if applicable, a premium tax will be deducted from your premium. **(Not Applicable in Texas!)**

GUARANTEE PERIOD/INTEREST CREDITING

You choose the guaranteed rate period that is best for you. The guarantee period begins on the date of issue and ends on the last day of the chosen period. After your chosen rate period ends, your annuity will earn a portfolio interest rate, which may go up or down, but can never earn less than the contract's minimum guaranteed rate at the time of your purchase.

Interest is credited and compounded on a daily basis. The rates shown below are the current effective annual yields.

MINIMUM GUARANTEED RATES		
TOP CHOICE 3	%	1.00%
	Years 1 – 3	
TOP CHOICE 5	%	1.00%
	Years 1 – 5	

Rates in effect on: _____
Subject to Change Without Notice!

ISSUE AGES

Age 100 for the TOP CHOICE 3 – Age 90 for the TOP CHOICE 5.

MINIMUM/MAXIMUM PREMIUMS

The minimum premium is \$10,000. Premiums in excess of \$500,000 require prior company approval.

RIGHT TO EXAMINE ANNUITY

Within the first 20 days after you receive your annuity, you may return the annuity and receive 100% of your premium, minus any prior withdrawals.

RIGHT TO CHANGE ANNUITANT

As the owner of a non-qualified TOP CHOICE 3 or 5 annuity, you may change the annuitant at any time before annuity payments begin.

WITHDRAWALS/SURRENDER CHARGES

A surrender charge will apply to a full or partial surrender of the principal, unless the surrender charge is waived as explained below.

Year:	1	2	3	4	5	6+
3 Year	5%	5%	5%	None		
5 Year	5%	5%	5%	5%	5%	None

MARKET VALUE ADJUSTMENT (MVA)

A market value adjustment (MVA) applies to a full surrender, or to any partial surrender (withdrawal), to which a surrender charge applies. The MVA is in addition to the surrender charge and is calculated using the MVA factor described in the annuity. This factor is based on changes in the yields on U.S. Treasuries. The MVA may increase or decrease your surrender value.

EXCEPTIONS TO SURRENDER CHARGES & MVA

- 1) You may withdraw 100% of your accumulated interest **free** of all charges at any time.
- 2) If you desire, we will mail you or direct deposit a check based on the daily nominal interest rate and subject to a minimum amount of \$125. If the monthly payment is less than \$125, the payment will be made on a quarterly basis.
- 3) Surrender charges and MVA are waived in the event of death of the Owner.
- 4) You may elect to annuitize at any time after one year from a wide range of options. Surrender charges and MVA are waived with a payout period of 5 years or longer.
- 5) If the Owner dies after electing to annuitize, but before all guaranteed income payments are received, the remaining guaranteed payments will be paid to the beneficiary.
- 6) If the Annuitant is different from the Owner and the Annuitant dies before the Owner elects to annuitize, the Owner may name a new Annuitant.
- 7) Required Minimum Distributions from qualified plans are not subject to surrender charges or the MVA.

TAXATION OF WITHDRAWALS

Withdrawals may be subject to income tax. If withdrawals are made before age 59½, they also may be subject to a 10% IRS penalty.

FINANCIAL SECURITY

The New Era Companies are conservatively managed and financially strong life insurance companies, required by state regulation to maintain reserves equal to or greater than guaranteed surrender values.

NOTES

- The TOP CHOICE 3 & 5 annuities are issued on Policy Forms A-0063 and A-0065 and not available in all states; certain restrictions, conditions, and state variations may apply.
- This document is not a legal contract. For the exact terms and conditions, please refer to the annuity policy/contract.
- Annuities are products of the insurance industry and are not guaranteed by any bank or insured by the FDIC.
- Tax laws are subject to varying interpretations and possible changes. Please consult your tax advisor for further information.

ACKNOWLEDGEMENT:

I acknowledge that I have read this disclosure and I understand the description of these provisions as they apply to my application. I acknowledge that there is a 20-day right to examine this annuity. I also understand that subject to the guaranteed values in the annuity, the cash surrender values in the annuity may increase or decrease based on an MVA adjustment prior to the date or dates specified in the annuity.

X

Signature of Owner(s)

X

Signature of Agent

Date

Agent Name and Address



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TOP CHOICE
3 & 5
ANNUITY APPLICATION

Choose One Option Only:	<input type="checkbox"/> TOP CHOICE 3 <small>A-0063.NEL • A-0063.PAL • A-0063.NEM</small>	<input type="checkbox"/> TOP CHOICE 5 <small>A-0065.NEL • A-0065.PAL • A-0065.NEM</small>
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<i>Please Print in Ink</i>	A. OWNER <small>(All Correspondence is Sent to Owner)</small>	B. ANNUITANT <small>(Complete if different from Owner)</small>	*C. JOINT OWNER <small>(Non-Qualified Funds Only)</small>
Name:			
Mail Address:			
City, State Zip Code:			
Tax ID #:			
Date of Birth or Trust:			
Sex:			
Home Phone #:			

D. ANNUITY PREMIUM: Paid with Application \$ _____ Anticipated Rollover/Transfer Amount \$ _____

E. LINE OF BUSINESS: Non-Qualified IRA – SEP IRA Rollover/Transfer Tax Year of New Qualified Contribution _____

F. INTEREST INCOME CHOICE: (check one)
 Left to Accumulate (Tax Deferred Growth)
 Interest Paid Monthly (subject to minimum requirement) Withhold Income Tax: No Yes @ _____ %

G. OWNER'S BENEFICIARY DESIGNATIONS: (Unless otherwise designated, all survivors in a class will share equally.)

PRIMARY:	Name _____	Date of Birth or Trust Date _____	SSN or Tax ID # _____	Relationship to Owner _____
CONTINGENT:				

*NOTE: If the Joint Owner predeceases the Owner, full ownership shall pass to the Owner, unless Written Notice to the contrary is provided before death.

H. REPLACEMENT: Does the annuitant have any existing life insurance or annuity contracts in force? Yes No
 If Yes, complete and forward any replacement forms as required in the state of application.
 Is the contract being applied for intended to replace or exchange any insurance or annuity now in force? Yes No

I. REMARKS AND/OR SPECIAL INSTRUCTIONS:

During the first 3 years of form A-0063 and 5 years for form A-0065, amounts payable under the contract are subject to a Market Value Adjustment.
 I represent that my answers in this application are true and complete and that this application shall be part of an annuity contract issued by the Company. Any statement made by either the agent of this application or by any other person shall not be binding on the Company unless such statement is reduced to writing by the Company and made a part of the contract.
 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. A 10% IRS penalty may apply on amounts withdrawn before the owner reaches age 59½. **All checks must be payable to the Company identified at the top of this application.**

Application Completed at (City, State): _____ Date: _____

X _____ **SIGNATURE OF OWNER** _____ **SIGNATURE OF JOINT OWNER**

AGENT: Do you have knowledge or reason to believe that the applicant has existing policies or contracts now in force? Yes No
 If Yes, I presented and read the applicant a notice regarding the replacement.
 Is the contract being applied for intended to replace or exchange any insurance or annuity now in force? Yes No

X _____ **SIGNATURE OF AGENT(S)** _____ **AGENT NUMBER(S)** _____ **STATE LICENSE NUMBER OF AGENT(S)**