



TEMPLE, TEXAS 76501

**Annuity Disclosure Statement for
Five-Year Preferred Single Premium Deferred Annuity
SPJST-ANN-5YR**

This form is not intended to be a complete explanation of your annuity. Only your contract contains complete details. In the event of a conflict between this disclosure and the contract, the contract shall take precedence. Please read your contract carefully for complete details. If you have any questions, please contact your representative or SPJST for further explanation.

An annuity is a long-term contract between you and an insurance company in which you give the insurance company a sum of money (called a premium). This premium accumulates over time on a tax-deferred basis until you withdraw it from the annuity or begin taking a guaranteed income from the contract. This contract is a single premium annuity which means you buy it with one premium. It is a fixed annuity which means it earns a specified interest rate during the guaranteed period. This annuity is deferred which means payouts begin at a future date. You do not pay taxes on the interest it earns until the money is paid to you.

You can use an annuity to save money for retirement and to receive retirement income for life. It is **not** meant to be used to meet short-term financial goals.

THE ANNUITY CONTRACT

How will the value of my annuity grow?

Your annuity earns tax-deferred interest at a guaranteed rate for a guaranteed period of 5 years. After the Initial Certificate Period, you may elect to renew the annuity for a Subsequent Certificate Renewal Period and interest will be credited at the rate declared by the Board of Directors. If you elect not to renew the certificate for a subsequent renewal period, interest will be credited at the minimum guaranteed interest rate stated in the contract. Interest compounds daily and is credited to your annuity account on the last day of each month.

The withdrawal charge resets at the beginning of each subsequent certificate renewal period. There is no withdrawal charge during the last 15 days of a certificate renewal period or the first 15 days of any subsequent certificate renewal period. After the Initial Certificate Period, if you elect not to renew the certificate for a Subsequent Certificate Renewal Period, the withdrawal charge will not reset – the withdrawal charge will be zero.

BENEFITS

How do I get income (payouts) from my annuity?

You begin to get income from your annuity on the maturity date of the contract. The maturity date can be no earlier than the 5th contract anniversary. The maturity date can be no later than the later of age 85 or 10 years from the certificate date. You choose how you get the income (the payout option). Your choices now are:

- Fixed Period – pays income for a fixed period, but not more than 30 years
- Fixed Period and Life – guarantees income for as long as you live. If you die within the “fixed certain” (5, 10, 15, or 20 years), income is paid to your beneficiary for the rest of the period.
- Fixed Amount – pays installments of a fixed amount until the proceeds and interest are exhausted.
- Interest Income – proceeds are left on deposit for a fixed number of years with interest payments made annually
- Lump Sum – one payout

You may change both the start date and the payout option up until payout begins.

If you don’t choose an annuity payout option, we start payouts on the Maturity Date and continue them under the Fixed Period and Life option.

Once payouts begin, you cannot surrender (cancel) your annuity.

What happens after I die?

If you die before we start to pay you income from your annuity, we pay the cash value of the annuity to your beneficiary. If you die after the payouts start, depending on the type of payout you chose, we pay the remaining value in the annuity, if any, to your beneficiary.

OPTIONAL BENEFIT RIDERS AND THEIR FEES

What other benefits can I choose?

There are no optional benefit riders available with your annuity.

FEES, EXPENSES AND OTHER CHARGES

What happens if I take out some or all of the money from my annuity?

You cannot take any of the money out of your annuity after the payout begins. Before the payout begins, you can take out all of your annuity’s value (full surrender) or part of it (partial surrender). You can take out any amount subject to minimum withdrawal amount rules established by SPJST and in effect at the time of the partial withdrawal.

We take a surrender charge from the amounts you withdraw. The withdrawal charges that apply to amounts withdrawn are shown in the table below.

Certificate Year of Withdrawal	Percentage of Amount Withdrawn
1	8%
2	7%
3	6%
4	5%
5	4%

Can I take some of the money out of my annuity without a surrender charge?

Yes, in some cases.

Beginning in the second year you may, in any one certificate year, make as many as 3 withdrawals, not exceeding in total 10% of the cash value at the start of that certificate year, without a withdrawal charge. Withdrawal charges will apply to amounts withdrawn in excess of the 10% free amount.

Do I pay any other fees or charges?

No. There are not any other fees or charges on this annuity.

TAXES

How will payouts and withdrawals from my annuity be taxed?

This annuity is tax-deferred, which means you do not pay taxes on the interest it earns until the money is paid out to you. When you take payouts or make a withdrawal, you pay ordinary income taxes on the earned interest. You also pay a 10% federal income tax penalty on earnings you withdraw before age 59½. If your state imposes a premium tax, it will be deducted from the money you receive.

You can exchange one tax-deferred annuity for another without paying taxes on the earnings when you make the exchange. Before you exchange annuities, compare the benefits, features and costs of the two annuities. You may pay a surrender charge if you make the surrender during the surrender charge period. Also, you may pay a surrender charge if you make withdrawals from the new annuity during the first years you own it.

Does buying an annuity in a retirement plan provide extra tax benefits?

Buying an annuity within an IRA, 401(k) or other tax-deferred retirement plan does not give you any extra tax benefits. Choose your annuity based on its other features as well as its risks and costs, not its tax benefits.

OTHER INFORMATION

What else do I need to know?

Changes to your contract.

We may change your annuity contract from time to time to follow federal or state laws and regulations. If we do, we will notify you about the changes in writing.

Compensation

We pay the agent or representative for selling the annuity to you. The actual percentage of compensation paid to the agent or representative will vary based on specific circumstances.

Free Look

Your annuity may be sent back to the Society or its agent within 20 days after it is received. In such case, your annuity will be void from the beginning and the Society will refund any premium paid.

Tax Advice

Neither SPJST nor its agents and representatives give legal, tax or accounting advice. Please consult an attorney or independent tax advisor as to the applicability of this information to your own situation.