# 7 MYG

## A Single Premium Deferred Annuity
## Issued by Liberty Life Insurance Company

Liberty
An ATHENE Company

S7431 (R7-11)

**Triple Compounding …**
Three Components of
Tax-deferred Growth


**What is a deferred annuity?**
It is an insurance product used to accumulate funds for retirement or other long-term objectives. This type of annuity allows the owner to defer receiving income payments to a later date.

# Secure guaranteed growth with the 7 MYG Annuity

Each year, many Americans choose annuities to play an important role in achieving financial security for their retirement. Today’s retirees are living longer, healthier and more active lives than any generation before them; they need a reliable solution to guarantee the security of their nest eggs. A deferred annuity with a growth rate that is guaranteed can assist in keeping retirees in the lifestyles they choose.

## Why consider a deferred annuity?

A deferred annuity is an insurance product you can use to accumulate funds for retirement and other long-term objectives. This type of annuity allows you to defer receiving payments to a later date. By including annuities in the strategy you develop to meet your financial goals, you can gain several important benefits:

- Competitive interest rates
- Tax-deferred growth
- Interest rate guarantees that never fall below a set minimum
- Principal protection against market loss
- Full liquidity under certain life events
- Guaranteed income for a lifetime
- Current tax savings
- Possible avoidance of probate, its costs, delays and publicity
- Possible avoidance of taxes on Social Security payments

## Why choose a financial product with tax-deferred growth?

Money grows faster in a long-term, tax-deferred product like an annuity because interest compounds on top of the money you ordinarily would have paid in current income taxes. A tax-deferred product may outperform a taxable one because you have three components working for you. See bar chart to the upper left.(Note: If money is already in a tax-deferred vehicle such as an IRA, there is no additional tax advantage.)

## What is the 7 MYG Annuity?

It is a 7-year, single premium tax-deferred annuity that starts with a premium payment of at least $5,000 and locks in a guaranteed interest rate for 7 years.

## Can I access my money if I need it?

While the 7 MYG Annuity is designed to be a long-term place for your money, we offer a variety of withdrawal privileges that allow you to obtain money from your annuity should you need it. Consult page 3 for details on withdrawal options.

### What are withdrawal charges and how are they assessed with this annuity?

Generally speaking, a withdrawal charge is a penalty for early withdrawal. With the 7 MYG Annuity, charges are assessed for taking more than a specified amount of money out of your annuity prior to a specified date.

An annuity is not intended as a short-term financial vehicle. Insurance companies place premium dollars in long-term investments to provide contract owners the potential to earn a greater return over the contract period than short-term investments can provide.

The primary purpose of a withdrawal charge is to discourage excessive early withdrawals in order to keep as much money as possible in your annuity working for you. Consult page 4 for details on withdrawal charges.

### Are there sales charges?

No. When you purchase a traditional annuity from Liberty Life Insurance Company, 100% of your premium goes into the contract. You pay no up-front sales charges or administrative fees.

As with all financial products, it is important to completely understand what you are purchasing. While an annuity might not be right for every person or every situation, it is an important tool that should be considered when developing a financial plan.

Exploring all of your options is the key to creating success along the road to retirement.

## The 7 MYG Annuity at a Glance

### Issue Ages

- 0-80

### Initial Premium Payment

- $5,000 minimum
- $1,000,000 maximum
- Larger amounts considered with company approval

**Additional Premium Payments:** Minimum of $500. Allows up to 5 additional premium payments in the first 12 months. Additional premium deposits will receive the interest rate currently in effect at the time the money is received. This rate reflects an interest rate enhancement and will be guaranteed for 12 months on each payment.

**What does MYG mean?**
MYG is short for multi-year guarantee. With MYG annuities, you give the insurance company an amount of money and the insurance company guarantees that the annuity will earn a specific compounded interest rate for a specific number of years.

Your annuity's **accumulation phase** is the period of time in which you pay into the annuity and your money has the opportunity to grow tax-deferred based on interest rates set by the insurance company.

**7-Year Interest Rate Guarantee:** Provides a competitive, predictable rate of return that is guaranteed for 7 years. After the 7th year, the annuity will renew each year at the portfolio rate in effect at that time for a 12-month period. The minimum guaranteed interest rate will be at least 1%.

**Interest Rate Enhancement:** The first year interest rate, which applies to any premium payment received during the first 12 months of the contract, reflects an enhancement.

**Rollovers and Transfers:** This annuity accepts rollovers and transfers from IRAs and retirement plans.

## Withdrawal Options*

**Partial Withdrawals:** Up to 10% of the accumulation value may be withdrawn free of charges each year after the first contract year. Additional partial withdrawals are also available within the same contract year; however, withdrawal charges will apply. Must have $2,000 or more in the annuity to take a partial withdrawal. (A $500 minimum withdrawal is required.)

**Systematic Withdrawals:** A specified dollar amount per payment, specified percentage of the accumulation value or interest credited to the annuity may be withdrawn on a monthly, quarterly, semi-annual or annual basis. This may be selected at issue or anytime thereafter. Withdrawal amount must be at least $100. *If the withdrawal amount exceeds the free withdrawal amount allowed, the withdrawal may be subject to contract charges.*

**Required Minimum Distribution (RMD):** Available if annuity is issued as part of a qualified retirement plan. We will assist in meeting the IRS-required minimum distributions for our customers.

## Additional Withdrawal Options

*Not available in all states.*

- **Confinement Waiver:** Free withdrawals of up to 100% of the accumulation value after the first contract year if owner is confined to a long-term care facility or hospital for 90 consecutive days or more after the contract is issued.
- **Terminal Illness Waiver:** Free withdrawals of up to 100% of the accumulation value after the first contract year if owner becomes terminally ill with less than 12 months to live. Illness must have been diagnosed after the contract is issued.

*Withdrawals prior to age 59½ may be subject to a 10% IRS penalty. Withdrawals may also reduce the value of your contract.

## Market Value Adjustment (MVA)

MVAs help protect you and the company from the adverse effects of excessive withdrawals and surrenders. With this protection in place, we can credit a higher interest rate than otherwise possible.

During the first 7 contract years, an interest rate adjustment is made to the accumulation value when withdrawals in excess of the annuity's free withdrawal privileges are taken or the contract is surrendered. The MVA reflects the change in interest rates from the time the annuity is purchased to the time the withdrawal is made.

In general, a change in interest rates can cause an increase or decrease in the accumulation value. The MVA feature is not applicable in all states.

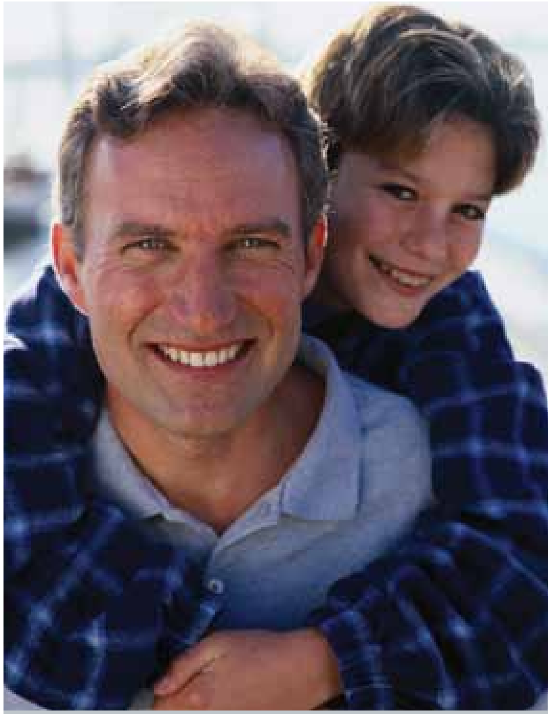
## Charges for Early Withdrawal – 7 Years (+ or - MVA)

While partial withdrawals are always available, a withdrawal charge is assessed on the portion that exceeds the free withdrawal amount or if the annuity is surrendered early. See chart below for breakdown of these charges.

| 7 MYG Withdrawal Charges | |
|---|---|
| Contract Year | Withdrawal Charges |
| 1 | 7% |
| 2 | 7% |
| 3 | 7% |
| 4 | 6% |
| 5 | 5% |
| 6 | 4% |
| 7 | 3% |
| 8+ | 0% |

## Charges are not assessed when:

- You make one annual withdrawal of up to 10% of the annuity's accumulation value after the first contract year.
- You make a withdrawal after the 7th year.
- You select Systematic Withdrawal, Required Minimum Distribution or SEPP withdrawal options (up to 10% of accumulation value restriction per year may apply).
- You select an income for life or income payment option with a guaranteed period of at least 5 years after the second contract year.
- You make a withdrawal after the first year due to a long-term care/hospital confinement or terminal illness diagnosis, as defined by the annuity contract. (Not available in all states.)
- Death proceeds are paid to the designated beneficiary.



Your annuity's **income phase** is the period of time during which you receive income payments from the annuity.

## Income Payment Options

Available after first 24 months, withdrawal charges do not apply if a payment option of at least 5 years or income for life is selected.

Options available include:

- Income for life
- Income for life with a fixed number of years guaranteed
- Income for a fixed number of years

## Death Benefits

Upon death, the annuity's full accumulation will be paid out. These proceeds may be taken in a lump sum or through one of the other payment options we have available. This death benefit may pass outside of the annuity owner's probate estate, thus avoiding the cost and delay of probate. Please consult a tax advisor for details.

## Taking Care of Taxes

Each year, the 7 MYG Annuity's earnings grow tax-deferred. This means you do not have to pay taxes on the money you've earned until it is withdrawn.

Annuity withdrawals are subject to Federal and State income tax where applicable. A 10% Federal tax penalty may apply to withdrawals made by owners who are younger than age 59½.

Some states levy a premium tax on annuity premium. For residents of these states, the company will calculate the tax and deduct the appropriate amount either when you establish your annuity or when income payments begin, whichever the state requires. North Carolina and many other states do not levy premium taxes on annuity contracts.

Liberty Life Insurance Company does not give legal or tax advice. Please consult a tax advisor for assistance with this topic.

# Look to the future with a company you can trust

Because your annuity is guaranteed by the financial strength of the company you do business with, you look for a strong, stable insurance company you can depend on.

Headquartered in Greenville, S.C., Liberty Life Insurance Company (Liberty) provides life insurance, annuities and related insurance protection that help you and your family prepare for the future. For over a century, we've earned the trust of our policyholders through financial stability, integrity and service.

In 2011, Liberty was acquired by Athene Holding Ltd. and now serves as the U.S. headquarters for Athene's annuity insurance operations. Athene is sponsored by affiliates of Apollo Global Management LLC. For more information, visit the Liberty Life Insurance Company Web site at www.libertylifeco.com.

*This is a brief description of 7 MYG, a Single Premium Deferred Annuity, issued by Liberty Life Insurance Company on policy form series AN3015, available in most states. This contract contains limitations. Please contact the company for complete details.*

*In Idaho, to be used with form numbers AN3015, AN3025(12-08) and AN3026(12-08).*

To find out more about annuities
from Liberty Life Insurance Company or any
information not included in this brochure:

› Call 888-262-8131
› Or visit www.libertylifeco.com

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