

WNL Flex 5 Annuity

A flexible-premium, tax-deferred fixed annuity issued and guaranteed by Western National Life Insurance Company

Product Overview

Western National Guarantees

One-Year Interest Rate Option	The initial interest rate on the original purchase premium is guaranteed for one year and may include an interest enhancement for the first policy year only. ¹
Three-Year Interest Rate Option	The initial interest rate on the original purchase premium is guaranteed for three years and may include an interest enhancement during the first three policy years. ¹
Five-Year Interest Rate Option	The initial interest rate on the original purchase premium is guaranteed for five years. ¹
Minimum Guaranteed Renewal Rate	Regardless of future economic conditions, your annuity is guaranteed to renew at or above the minimum interest rate, which is listed in your policy or applicable endorsement(s). ²
Flexible Premium	Additional purchase premiums accepted anytime through age 95.
Immediate Crediting	Interest crediting begins the same day the money is deposited into the Western National account.
Guaranteed Rate Lock	Initial rate guaranteed for 90 days from date of signing the application on any Section 1035 exchange, direct rollover or transfer.
Free-Look Guarantee	Western National allows a 20-day (or longer in some states) free-look period.
Return-of-Premium Guarantee	The policyowner may return his/her annuity anytime for an amount equal to the purchase premium(s) paid (less any withdrawals of interest or principal), or the withdrawal value (annuity value less any early withdrawal charges), whichever value is greater. ²
Tax-Qualified Distributions	Western National will make all necessary calculations to ensure IRS required minimum distributions (RMD) are made, unless the policyowner requests otherwise. Prior to any RMD, the company will notify the owner of distribution options.
Statements	Each customer receives a welcome letter and an annual statement. ¹ Depending on market conditions some interest rate options may not be available at all times. Please check with your licensed representative for availability. ² This and all guarantees mentioned are subject to the claims-paying ability of the insurance company.

Amounts

\$5,000	Minimum initial purchase premium for nonqualified annuities.
\$2,000	Minimum initial purchase premium for tax-qualified annuities.
\$2,000	Minimum subsequent purchase premium for nonqualified and tax-qualified annuities (accepted through age 95).
\$2,000	Minimum value to maintain policy.
\$100	Minimum automatic premium check option amount.
\$250	Minimum random withdrawal amount.
\$50	Minimum systematic withdrawal amount. ³
\$50	Minimum annuitization periodic payment amount.
\$1,500,000	Maximum purchase premium amount without prior company approval. ³

³ By company practice, which is subject to change.

Ages

Issue Ages	0 - 90 owner and annuitant: (nonqualified annuities and tax-qualified annuity transfers or rollovers). 0 - 70 owner and annuitant: (tax-qualified annuities).
Maximum Annuity Age	When distribution of annuity income must begin: Nonqualified annuities: age 100, unless otherwise indicated on the application. Tax-qualified annuities: distribution must generally begin by April 1 of the year after the annuitant reaches age 70½ unless RMD requirements are being satisfied elsewhere. Distribution may be accomplished by annuitization of the contract or by taking partial withdrawals.

Ownership

Types of Ownership	Single, joint, living trust, Roth and traditional IRAs, SEP, corporate, Keogh and minor child (UTMA/UGMA).
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Withdrawals

Penalty-Free Withdrawal Privilege	After 30 days from the policy date, you may take multiple penalty-free withdrawals each year not exceeding in total the greater of (1) the accumulated interest earned or (2) up to 15% of the previous anniversary annuity value. If you do not use all of the 15% free withdrawal percentage in a policy year, you may carry over the unused portion to the next policy year up to a maximum of 20% of the previous anniversary annuity value.
Systematic Withdrawal Frequency	Monthly, quarterly, semiannually or annually. If the withdrawal amount is less than \$50, check frequency will move to the next withdrawal period.
Systematic Amount Options	1) Interest only. 2) Fixed-dollar amount (free if less than permitted free withdrawal amount).
Systematic Withdrawal	\$50 minimum amount. Systematic withdrawals ³ are mailed by check or deposited into a designated account on the 1st, 10th or 25th day of the month payment is due.
Random Withdrawal	\$250 minimum amount. (\$2,000 minimum value to maintain policy.) If a withdrawal reduces the value to less than \$2,000, we reserve the right to pay the entire withdrawal value and terminate the policy.

³ By company practice, which is subject to change.

Taxes, Tax Advantages & Tax-Free Transfers

Tax Deferral	Federal income taxes are deferred until the year interest is withdrawn. ⁴ There is no tax deferral if the owner is a corporation. If the owner is a trust or other entity, please consult a tax advisor regarding the tax-deferred status. The return of principal may also be taxable on tax-qualified annuities, such as traditional IRAs.
Tax-Advantaged Income	Once the policy is annuitized, part of each annuity income payment is considered a tax-free return of principal (except tax-qualified annuities, such as traditional IRAs, where the principal may also be taxable).
Pre-59½ Withdrawals	Withdrawals of interest prior to age 59½ may be subject to a 10% federal income tax penalty. The penalty may be waived for death, total disability (as defined by the IRS), or if the payment is made as part of a series of substantially equal payments for the life expectancy of the owner (except tax-qualified annuities where the entire amount withdrawn may be subject to a 10% federal income tax penalty).
Tax-Free Exchange	May be used for exchanges from a life insurance or endowment contract or another annuity. ⁵ A 90-day rate lock applies. To maintain non-taxable status, the owner and annuitant must remain the same, and the owner cannot take receipt of the funds.
Tax-Qualified Plans	May be an initial tax-qualified contribution, or a transfer or direct rollover of funds for IRAs, SEPs, Keoghs or 401(k) ⁵ . ⁴ Unless your annuity is a Roth IRA, for federal income tax purposes, withdrawals are treated as earnings first, subject to ordinary income tax, and as a return of principal after earnings are exhausted. ⁵ State replacement form(s) may be required on Section 1035 exchanges, rollovers and transfers from other annuities in: AR, AZ, CA, CO, DE, FL, GA (life insurance only), HI, IA, ID, IL, IN, KS, LA, MA, MD, MN, MO, MS, MT, NC, NE, NH, NM, OH, OK, OR, PA, SC, SD, TN, UT, VA (life insurance only), VT, WA, WI and WY.

Charges & Fees

Initial Sales Charge	None.														
Annual Fee	None.														
Withdrawal Charge Schedule	<p>Each purchase premium is subject to a five-year early withdrawal charge schedule from the date of receipt. Withdrawals exceeding the permitted free withdrawal amounts are subject to the following early withdrawal charge schedule:</p> <table border="1"> <thead> <tr> <th>Years from purchase premium</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>Thereafter</th> </tr> </thead> <tbody> <tr> <td>Early withdrawal charge</td> <td>9%</td> <td>8%</td> <td>7%</td> <td>6%</td> <td>5%</td> <td>0%</td> </tr> </tbody> </table> <p>(Charge is a percentage of premium distributed in excess of free amounts; interest earnings are distributed first [on a last-in, first-out basis] then premiums are distributed [on a first-in, first-out basis] after earnings are exhausted.)</p>	Years from purchase premium	1	2	3	4	5	Thereafter	Early withdrawal charge	9%	8%	7%	6%	5%	0%
Years from purchase premium	1	2	3	4	5	Thereafter									
Early withdrawal charge	9%	8%	7%	6%	5%	0%									

Death Benefits (Before Annuity Date)

Spousal Beneficiaries	If the spouse is the sole beneficiary of a deceased owner, he/she may elect to become the new "owner" or receive a distribution.
Non-Spousal Beneficiaries	Upon the death of any owner, the beneficiary may receive either annuity income beginning within one year or a total distribution within five years.

Early Withdrawal Charge Waivers (Not Available in Some States and Provisions may vary from State to State)

Extended Care	After the first policy year, early withdrawal charges will be waived if the owner is confined to a qualifying institution or extended care facility for 90 consecutive days or longer. In the state of Florida, this waiver is only available until the owner reaches age 86.
Terminal Illness	Early withdrawal charges will be waived upon the diagnosis of a terminal illness that will result in the death of a policyowner within one year. Written documentation from a qualified physician is required. In the state of Illinois, the waiver is available for a terminal illness that will result in death of a policyowner within two years.
Activities of Daily Living	After the first policy year, withdrawal charges will be waived if the owner cannot perform two or more of the six defined activities of daily living (bathing, continence, dressing, eating, toileting and transferring) for at least 90 consecutive days. Written certification by a licensed healthcare practitioner is required.

Western National Life Insurance Company was one of the first insurance companies to develop fixed annuity products specifically for sale through banks. We are a leading provider of fixed annuities in this market, and have maintained our position by offering innovative products and valued services to help Americans achieve their financial goals.

Our products can help you live retirement on your terms.

Tax-qualified contracts such as IRAs, 401(k)s, etc., are tax deferred regardless of whether or not they are funded with an annuity. If you are considering funding a tax-qualified retirement plan with an annuity, you should know that an annuity does not provide any additional tax-deferred treatment of earnings beyond the treatment by the tax-qualified retirement plan itself. However, annuities do provide other features and benefits such as income options.

Neither Western National Life Insurance Company nor its agents or representatives are authorized to give legal, tax or accounting advice. Please consult your attorney, accountant or tax advisor on specific points of interest.

The WNL Flex 5 Annuity is issued and guaranteed by Western National Life Insurance Company. Not available in some states and policy provisions may vary from state to state. Please refer to your policy for actual governing contractual provisions.

Safe choice

Let us help you
put real retirement
solutions to work
for you

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VISIT

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