

US Life

The United States Life Insurance Company
in the City of New York (US Life)

Mailing Address:
Annuity Service Center
P.O. Box 871
Amarillo, TX 79105-0871

Overnight Mailing Address:
Annuity Service Center
1050 N. Western Street
Amarillo, TX 79106-7011

Definition of Replacement

IN ORDER TO DETERMINE WHETHER YOU ARE REPLACING OR OTHERWISE CHANGING THE STATUS OF EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS, AND IN ORDER TO RECEIVE THE VALUABLE INFORMATION NECESSARY TO MAKE A CAREFUL COMPARISON IF YOU ARE CONTEMPLATING REPLACEMENT, THE AGENT IS REQUIRED TO ASK YOU THE FOLLOWING QUESTIONS AND EXPLAIN ANY ITEMS THAT YOU DO NOT UNDERSTAND.

AS PART OF YOUR PURCHASE OF A NEW LIFE INSURANCE POLICY OR A NEW ANNUITY CONTRACT, HAS EXISTING COVERAGE BEEN, OR IS IT LIKELY TO BE:

- (1) LAPSED, SURRENDERED, PARTIALLY SURRENDERED, FORFEITED, ASSIGNED TO THE INSURER REPLACING THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT, OR OTHERWISE TERMINATED?

YES NO

- (2) CHANGED OR MODIFIED INTO PAID-UP INSURANCE; CONTINUED AS EXTENDED TERM INSURANCE OR UNDER ANOTHER FORM OF NONFORFEITURE BENEFIT; OR OTHERWISE REDUCED IN VALUE BY THE USE OF NONFORFEITURE BENEFITS, DIVIDEND ACCUMULATIONS, DIVIDEND CASH VALUES OR OTHER CASH VALUES?

YES NO

- (3) CHANGED OR MODIFIED SO AS TO EFFECT A REDUCTION EITHER IN THE AMOUNT OF THE EXISTING LIFE INSURANCE OR ANNUITY BENEFIT OR IN THE PERIOD OF TIME THE EXISTING LIFE INSURANCE OR ANNUITY BENEFIT WILL CONTINUE IN FORCE?

YES NO

- (4) REISSUED WITH A REDUCTION IN AMOUNT SUCH THAT ANY CASH VALUES ARE RELEASED, INCLUDING ALL TRANSACTIONS WHEREIN AN AMOUNT OF DIVIDEND ACCUMULATIONS OR PAID-UP ADDITIONS IS TO BE RELEASED ON ONE OR MORE OF THE EXISTING POLICIES?

YES NO

- (5) ASSIGNED AS COLLATERAL FOR A LOAN OR MADE SUBJECT TO BORROWING OR WITHDRAWAL OF ANY PORTION OF THE LOAN VALUE, INCLUDING ALL TRANSACTIONS WHEREIN ANY AMOUNT OF DIVIDEND ACCUMULATIONS OR PAID-UP ADDITIONS IS TO BE BORROWED OR WITHDRAWN ON ONE OR MORE EXISTING POLICIES?

YES NO

- (6) CONTINUED WITH A STOPPAGE OF PREMIUM PAYMENTS OR REDUCTION IN THE AMOUNT OF PREMIUM PAID?

YES NO

IF YOU HAVE ANSWERED YES TO ANY OF THE ABOVE QUESTIONS, A REPLACEMENT AS DEFINED BY NEW YORK INSURANCE REGULATION NO. 60 HAS OCCURRED OR IS LIKELY TO OCCUR AND YOUR AGENT IS REQUIRED TO PROVIDE YOU WITH A COMPLETED DISCLOSURE STATEMENT AND THE **IMPORTANT** NOTICE REGARDING REPLACEMENT OR CHANGE OF LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS.

SIGNATURE OF APPLICANT

DATE

SIGNATURE OF APPLICANT

DATE

TO THE BEST OF MY KNOWLEDGE, A REPLACEMENT IS INVOLVED IN THIS TRANSACTION:
 YES NO

SIGNATURE OF AGENT

DATE

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Agent's Request for Disclosure Statement Information and Contractowner's Authorization

- A. INSTRUCTIONS**
- 1. DO NOT USE HIGHLIGHTER.**
 2. Please print or type.
 3. Owner's and agent's signatures required on this form.
 4. Send completed form to replaced insurer.

B. EXISTING CONTRACT INFORMATION

CONTRACT OWNER'S NAME	SOCIAL SECURITY NUMBER OR TAX ID NUMBER	
NAME OF EXISTING INSURER	EXISTING CONTRACT/CONTRACT NUMBER	
STREET ADDRESS OF EXISTING INSURER		
CITY	STATE	ZIP CODE

C. PROPOSED US LIFE CONTRACT

PRODUCT NAME

D. AGENT'S REQUEST FOR INFORMATION NECESSARY TO COMPLETE DISCLOSURE STATEMENT

As the agent on the proposed replacement contract, I hereby request the information necessary to complete the Department of Financial Services of the State of New York Disclosure Statement, for the above-referenced contract. Please send the information to me at the following address:

AGENT'S NAME	NestEgg Builders Corp.	
2424 Route 52 Suite 2	BROKER-DEALER FIRM NAME	
AGENT'S STREET ADDRESS		
Hopewell Junction, New York 12533		
CITY	STATE	ZIP CODE
845-592-4064 fax 845-592-4067		
PHONE NUMBER	NEW YORK LICENSE NUMBER	
AGENT'S SIGNATURE		DATE

E. CONTRACT-OWNERS AUTHORIZATION TO RELEASE INFORMATION NECESSARY TO COMPLETE DISCLOSURE STATEMENT

I may replace the above contract with a new **annuity** contract. Please accept this signed form as my authorization for you to release the information necessary to complete the required Disclosure Statement for the above-referenced contract. Please mail the information to: 1) the agent identified above; 2) the agent of record on my existing contract (if different than the agent listed above); and 3) The United States Life Insurance Company in the City of New York, the proposed replacing insurer, whose mailing address is listed at the top of this form.

CONTRACTOWNER'S SIGNATURE	DATE
JOINT OWNER'S SIGNATURE (IF APPLICABLE)	DATE

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Disclosure Statement (Annuity to Annuity Replacement Only)

IMPORTANT: IT MAY **NOT** BE IN YOUR BEST INTEREST TO SURRENDER, LAPSE, CHANGE OR BORROW FROM EXISTING ANNUITY CONTRACTS IN CONNECTION WITH THE PURCHASE OF A NEW ANNUITY CONTRACT WHETHER ISSUED BY THE SAME OR A DIFFERENT INSURANCE COMPANY. YOU ARE URGED TO CONTACT YOUR EXISTING AGENT OR INSURANCE COMPANY **PRIOR** TO COMPLETING THE TRANSACTION. THEY CAN HELP YOU DECIDE WHETHER THE REPLACEMENT IS IN YOUR BEST INTEREST.

FOR YOUR PROTECTION, the Department of Financial Services of the State of New York requires that you be given this Disclosure Statement, the **IMPORTANT** Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts and the Definition of Replacement, together with contract information on all proposed and existing coverage affected.

Name of Applicant _____ Telephone # _____

Address _____

Name of Agent _____ Telephone # _____

Company _____ Address _____

The information on existing coverage on this form was obtained from:

- The replaced company
- Approximations if replaced company failed to provide information in the prescribed time

1. **DESCRIPTION OF TRANSACTION:** **AS OF DATE:**

Proposed Annuity Contract	Existing Annuity Contracts Affected		
_____ Company	_____	_____	_____
_____ Customer Service	_____	_____	_____
_____ Telephone Number	_____	_____	_____
_____ Type of Annuity	_____	_____	_____
_____ Contract Number	# _____	# _____	# _____
_____ Issue Date	_____	_____	_____
\$ _____ Account Value	\$ _____	\$ _____	\$ _____
\$ _____ Minus Surrender	\$ _____	\$ _____	\$ _____
\$ _____ Charge	\$ _____	\$ _____	\$ _____
_____ Plus/Minus Market	_____	_____	_____
_____ Value Adjustment	_____	_____	_____
\$ _____ (if any)	\$ _____	\$ _____	\$ _____
\$ _____ Equals Surrender	\$ _____	\$ _____	\$ _____
\$ _____ Value	\$ _____	\$ _____	\$ _____

DISCLOSURE STATEMENT CONTINUED

2. SUMMARY RESULT COMPARISON:

THE PROPOSED ANNUITY

IF YOU CONTINUE YOUR CURRENT ANNUITY

Surrender Value To Be Invested \$ _____ Current Value \$ _____

If Variable Annuity Hypothetical Rates of Return					If Variable Annuity Hypothetical Rates of Return				
At Guaranteed Rate	At Current Rate	@ 0%	@ 6%	@ 12%	At Guaranteed Rate	At Current Rate	@ 0%	@ 6%	@ 12%
SURRENDER VALUE									
In 5 Years									
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
In 10 Years									
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
DEATH BENEFIT									
In 5 Years									
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
In 10 Years									
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

AGENT'S STATEMENT:

1. The primary reason(s) for recommending the new annuity contract is (are):

2. The existing annuity contract cannot meet the applicant's objectives because:

3. The advantages of continuing the existing annuity contract without changes are:

4. The surrender charge, if my client replaces his or her existing annuity contract is ____%, or \$____. The new annuity my client is applying for imposes a new surrender charge as follows: **(Describe percentage rate of surrender charge for each year in which surrender charge is imposed)**
Year 1 ____%, Year 2 ____%, Year 3 ____%, Year 4 ____%, Year 5 ____%, Year 6 ____%, Year 7 ____%,
Year 8 ____%, Year 9 ____%, Year 10 ____%

REMARKS: _____

The attached proposal, including sales material*, was used in the sale.

No proposal or sales material was used in this sale.

*The following US Life sales materials were used in the sale:

(Please list the applicable product sales piece, form number and revision date. You do not need to submit copies of sales materials produced by The United States Life Insurance Company in the City of New York.)

<u>Sales Piece</u>	<u>Form Number</u>	<u>Revision Date</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Copies of the sales material used in the sale of the proposed annuity contract will be provided to the existing insurer upon request.

If more than three existing annuity contracts are to be affected by this transaction or if more than one new annuity contract is proposed, the first section of this Disclosure Statement must be completed for such additional annuity contracts. In addition, a composite comparison shall be completed for all existing annuity contracts to all proposed annuity contracts. The proposal must accompany the submission of this form to the insurer. Copies must be given to the applicant.

I have personally completed this form and certify that it is correct to the best of my knowledge and ability.

Signature of Agent

Date

I hereby acknowledge that I received and read the above "Disclosure Statement" before I signed the application for the new annuity contract.

Signature of Applicant

Date

Signature of Applicant

Date

Important Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts

THIS NOTICE IS FOR YOUR BENEFIT AND IS REQUIRED BY REGULATION NO. 60

YOU ARE CONTEMPLATING THE PURCHASE OF A LIFE INSURANCE POLICY OR ANNUITY CONTRACT IN CONNECTION WITH THE SURRENDER, LAPSE OR CHANGE OF EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS. THE AGENT IS REQUIRED TO GIVE YOU THIS NOTICE TOGETHER WITH A SIGNED DISCLOSURE STATEMENT CONTAINING THE SUMMARY RESULT COMPARISON FOR THE NEW LIFE INSURANCE POLICY OR ANNUITY CONTRACT AND ANY LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS TO BE CHANGED. THAT SETS FORTH THE FACTS OF THE TRANSACTION AND ITS ADVANTAGES AND DISADVANTAGES TO YOU. YOUR DECISION COULD BE A GOOD ONE – OR A MISTAKE – SO MAKE SURE YOU UNDERSTAND THE FACTS. YOU SHOULD:

1. CAREFULLY STUDY THE DISCLOSURE STATEMENT, WHICH INCLUDES A SUMMARY RESULT COMPARISON, UNTIL YOU ARE SURE YOU UNDERSTAND FULLY THE EFFECT OF THE TRANSACTION.
2. ASK THE COMPANY OR AGENT FROM WHOM YOU BOUGHT YOUR EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS TO REVIEW WITH YOU THE TRANSACTION AND THE DISCLOSURE STATEMENT. YOU MAY BE ABLE TO EFFECT THE CHANGES YOU DESIRE MORE ADVANTAGEOUSLY WITH THEM. THEIR CUSTOMER SERVICE TELEPHONE NUMBER IS CONTAINED IN THE DISCLOSURE STATEMENT.
3. CONSULT YOUR TAX ADVISOR. THERE MAY BE UNFAVORABLE TAX IMPLICATIONS ASSOCIATED WITH THE CONTEMPLATED CHANGES TO YOUR EXISTING LIFE INSURANCE POLICIES OR ANNUITY CONTRACTS.

As a general rule, it is often not advantageous to drop or change existing coverage in favor of new coverage, whether issued by the same or a different insurance company. Some of the reasons it may be disadvantageous are:

1. The amount of the annual premium under an existing life insurance policy may be lower than that called for by a new life insurance policy having the same or similar benefits. Any replacement of the same type of policy will normally be at a higher premium rate based upon the insured's then attained age.
2. Since the initial costs of a life insurance policy are charged against the cash value increases in the earlier life insurance policy years, the replacement of an old life insurance policy by a new one results in the policyholder sustaining the burden of these costs twice. Annuity contracts usually contain provision for surrender charges, therefore a replacement involving annuity contracts may result in the imposition of surrender charges.
3. The incontestable and suicide clauses begin anew in a new life insurance policy. This could result in a claim being denied under the new life insurance policy that would have been paid under the life insurance policy that was replaced.
4. An existing life insurance policy or annuity contract often has more favorable provisions than a new life insurance policy or annuity contract in areas such as loan interest rate, settlement options, disability benefits and tax treatment.
5. There may have been changes in your health since the purchase of the existing coverage.
6. The insurance company with which you have existing coverage can often make a desired change on terms that would be more favorable than if you replaced existing coverage with new coverage.

IMPORTANT NOTICE REGARDING REPLACEMENT OR CHANGE CONTINUED

YOU HAVE THE RIGHT, WITHIN 60 DAYS FROM THE DATE OF DELIVERY OF A NEW LIFE INSURANCE POLICY OR ANNUITY CONTRACT, TO RETURN IT TO THE INSURER AND RECEIVE AN UNCONDITIONAL FULL REFUND OF ALL PREMIUMS OR CONSIDERATIONS PAID ON IT, OR IN THE CASE OF A VARIABLE OR MARKET VALUE ADJUSTMENT POLICY OR CONTRACT, A PAYMENT OF THE CASH SURRENDER BENEFITS PROVIDED UNDER THE POLICY OR CONTRACT, PLUS THE AMOUNT OF ALL FEES AND OTHER CHARGES DEDUCTED FROM GROSS CONSIDERATIONS OR IMPOSED UNDER THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT, AND MAY HAVE THE RIGHT TO REINSTATE OR RESTORE ANY LIFE INSURANCE POLICIES AND ANNUITY CONTRACTS THAT WERE SURRENDERED, LAPSED OR CHANGED IN THE TRANSACTION TO THEIR FORMER STATUS TO THE EXTENT POSSIBLE AND IN ACCORDANCE WITH THE INSURER'S PUBLISHED REINSTATEMENT RULES TO THE EXTENT SUCH RULES ARE NOT INCONSISTENT WITH THE PROVISIONS OF THIS PART.

IMPORTANT: THIS RIGHT SHOULD NOT BE VIEWED AS REINSTATING OR RESTORING YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT TO THE SAME CONDITION AS IF IT HAD NEVER BEEN REPLACED. THERE MAY BE CONSEQUENCES IN REINSTATING OR RESTORING YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT, INCLUDING BUT NOT LIMITED TO:

- THE RIGHT TO REINSTATE OR RESTORE YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT APPLIES ONLY TO COMPANIES SUBJECT TO NEW YORK INSURANCE LAWS;
- YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT IS SUBJECT TO YOUR SPECIFIC COMPANY'S REINSTATEMENT RULES, WHICH MAY VARY FROM COMPANY TO COMPANY. THESE RULES MAY REQUIRE PAYMENT OF BOTH PREMIUM AND INTEREST; HOWEVER, YOU WILL NOT BE SUBJECT TO EVIDENCE OF INSURABILITY, OR A NEW CONTESTABLE OR SUICIDE PERIOD;
- YOU MAY NOT RECEIVE THE INTEREST OR INVESTMENT PERFORMANCE DURING THE PERIOD THE LIFE INSURANCE POLICY OR ANNUITY CONTRACT WAS REPLACED; AND
- THERE MAY BE UNFAVORABLE FEDERAL INCOME TAX CONSEQUENCES AS A RESULT OF THE REINSTATEMENT OF YOUR LIFE INSURANCE POLICY OR ANNUITY CONTRACT.

IMPORTANT: IN THE CASE OF A VARIABLE OR MARKET VALUE ADJUSTMENT POLICY OR CONTRACT, THE VALUE OF THE POLICY OR CONTRACT MAY INCREASE OR DECREASE DURING THE 60 DAY PERIOD DEPENDING ON THE PERFORMANCE OF THE UNDERLYING INVESTMENTS, WHICH MAY EFFECT THE VALUE OF THE REFUND YOU RECEIVE.

I HEREBY ACKNOWLEDGE THAT I READ THE ABOVE "**IMPORTANT NOTICE**" AND HAVE RECEIVED A COPY OF SAME.

Signature of Applicant

Date

Signature of Applicant

Date