



Individual Annuity Application FLORIDA

The Penn Mutual Life Insurance Company
600 Dresher Road, Mail Code C2L,
Horsham, PA 19044
1-800-873-6285, www.pennmutual.com

1. Product Name (Contract Minimums)

Variable Deferred Annuities (VA) *

- Inflation Protector VA (\$10,000)
Smart Foundation VA (\$2,000/\$1,000 Qualified)
Smart Foundation Flex VA (\$10,000)
Smart Foundation Plus VA (\$25,000)
Retirement Planner VA (\$ 2,000 /\$250 Qualified)

Fixed Annuities

- Flexible Premium Fixed Deferred Annuity (\$5,000)
Penn Fixed Advantage Flexible Premium (412(e)(3) Use Only)
Single Premium Immediate Annuity (\$2,500)

* Annuity payments and termination values provided by this contract are variable and are not guaranteed as to fixed dollar amount.

2. Owner

Name (First, Middle, Last or Trust/Entity) Male Female Trust/Entity

Date of Birth (mm/dd/yyyy) Social Security / Tax ID #

Street Address City State Zip

US Citizen Resident Alien

Joint Owner (Optional - Not Available for Entity-Owned or Qualified Annuities)

Name (First, Middle, Last) Male Female

Date of Birth (mm/dd/yyyy) Social Security / Tax ID #

Street Address City State Zip

US Citizen Resident Alien Relationship to Owner: Spouse Other

3. Annuitant - Same as: Owner Joint Owner

Name (First, Middle, Last) Male Female

Date of Birth (mm/dd/yyyy) Social Security / Tax ID #

Street Address City State Zip

US Citizen Resident Alien Relationship to Owner: Spouse Other

Joint Annuitant Contingent Annuitant Same as: Owner Joint Owner
(Please reference the Annuity Application Instructions for eligibility.)

Name (First, Middle, Last) Male Female

Date of Birth (mm/dd/yyyy) Social Security / Tax ID #

Street Address City State Zip

US Citizen Resident Alien Relationship to Owner: Spouse Other

4. Employer Sponsored Retirement Plans

Existing plan? Yes No

Name of Existing Plan or Plan # _____ Amount to be Billed \$ _____

New Plan – Complete if payor is different than the Owner

Billing Requested Yes No

Plan Name _____ Attention _____

Street Address _____ City, State, Zip _____

5. Beneficiaries - If a beneficiary is not selected, the estate of the owner will be the beneficiary. Contingent beneficiaries receive proceeds only if all primary beneficiaries pre-decease the owners. For the Smart Foundation products, any surviving owner will be the sole primary beneficiary regardless of the designation below. If Jointly Owned, both Owners must be named primary beneficiaries. Please use whole percentages.

Beneficiary #1 - Primary

Male Female

Name (First, Middle, Last or Trust/Entity) _____ Relationship to Owner _____

_____/_____/_____
Date of Birth (mm/dd/yyyy) Social Security / Tax ID# % of Proceeds

Beneficiary #2 Primary Contingent

Male Female

Name (First, Middle, Last or Trust/Entity) _____ Relationship to Owner _____

_____/_____/_____
Date of Birth (mm/dd/yyyy) Social Security / Tax ID# % of Proceeds

Beneficiary #3 Primary Contingent

Male Female

Name (First, Middle, Last or Trust/Entity) _____ Relationship to Owner _____

_____/_____/_____
Date of Birth (mm/dd/yyyy) Social Security / Tax ID# % of Proceeds

Beneficiary #4 Primary Contingent

Male Female

Name (First, Middle, Last or Trust/Entity) _____ Relationship to Owner _____

_____/_____/_____
Date of Birth (mm/dd/yyyy) Social Security / Tax ID# % of Proceeds

To name additional beneficiaries please use the space provided in Section 11 or enclose a signed and dated letter.

6. Type of Contract Being Requested (Complete A or B)

A. Non-Qualified Registration:

Individual Trust Entity Charitable Remainder Trust

Trusts must provide a copy of the trust document. Corporations must provide a copy of the corporate resolution.

B. Qualified Registration:

Traditional IRA (tax year _____) Roth IRA (tax year _____) SEP IRA SIMPLE IRA
 Traditional Stretch IRA Roth Stretch IRA Custodial IRA
 412(e)(3) Life Policy# _____ No Life Policy Other _____

6. Type of Contract Being Requested (continued)

C. Funding

Direct Payment \$ _____ Check - Payable to The Penn Mutual Life Ins. Co.
(Payment must accompany application if selected)
 Wire
 Mutual Fund / CD / Other

Transfer/Exchange \$ _____ 1035 Exchange/Transfer Rollover

Funding Instructions

- I am requesting funds directly from the transferring company.
- I am requesting Penn Mutual to obtain funds from the transferring company and have attached original transfer paperwork.

7. Traditional / Roth Stretch IRAs

Deceased Name (First, Middle, Last or Trust/Entity)

Relationship to Deceased

Deceased Date of Death (mm/dd/yyyy)

Deceased Date of Birth (mm/dd/yyyy)

Deceased Social Security Number

8. Optional Benefits – Available on Variable Annuity Contracts

Inflation Protector VA

Inflation Protector
 Single Joint

OR Smart Foundation VA, Flex, Plus

(May Pick Two)
 Guaranteed Growth & Income
 Enhanced Death Benefit

Single Joint

-----OR-----
 Guaranteed Minimum Accumulation Benefit
(Not available with any other rider)

Single

OR Retirement Planner VA

(May Pick One)
 Step-Up Plus
 Rising Floor
 Estate Enhancement
(Not available in NY and WA)
 Single

If selecting a Joint Benefit, please indicate if Annuitant is Joint or Contingent in Section 3.

If any optional benefit I have selected in this section cannot be added to the contract due to age restriction, state availability or product, I understand that the contract will be issued without the benefit.

9. Investment Selection – Complete for Variable Annuities Only

A. Automatic Asset Rebalancing (AAR) – Minimum Initial Deposit \$10,000

I elect to have the total of the assets in all funds automatically rebalanced on the last business day of each quarter into the funds selected in Column A, Section C.

Dollar Cost Averaging and Automatic Asset Rebalancing cannot be on a contract at the same time.

B. Optional Dollar Cost Averaging Program (DCA) – Minimum Initial Deposit \$10,000

Dollar Cost Averaging is an optional program which involves the systematic transfers of specific dollar amounts each month from a fixed investment to one or more investments listed below.

If you would like any portion of the initial payment to be allocated to the DCA program please complete both column A and B, Section C.

I elect _____% to DCA from one of the following funds for a period of _____ months (12 to 60) into the funds selected in Column B, Section C. Money Market Limited Maturity Quality Bond

I elect DCA from one of the following accounts. Funds will transfer in equal monthly installments to the funds selected in Column B, Section C. 6-Month Fixed 12-Month Fixed

Dollar Cost Averaging and Automatic Asset Rebalancing cannot be on a contract at the same time.

DCA transfers will occur on the 15th of each month after issue and will continue for the time period elected above. It will stop if Penn Mutual receives a request from the owner or the source funds have been depleted, and will resume if new funds are received.

9. Investment Selection - Complete for Variable Annuities Only (continued)

C. Payment Allocation

Please specify how you would like your annuity premiums invested in Column A below. Allocations must be in whole percentages and must total 100%.

Values and payments under this contract, when based on the Investment Experience of a Separate Account are variable. They may decrease or increase and are not guaranteed as to a fixed dollar amount.

	A. Initial	B. DCA		A. Initial	B. DCA
Large Cap			Balanced		
Large Growth Stock	_____%	_____%	Flexibly Managed	_____%	_____%
T. Rowe Price Associates			T. Rowe Price Associates		
Large Core Growth	_____%	_____%	Balanced	_____%	_____%
Wells Capital Management			Independence Capital Management, Inc.		
Large Cap Growth	_____%	_____%	Specialty		
Turner Investment Partners			Real Estate Securities	_____%	_____%
Index 500	_____%	_____%	Cohen & Steers Capital Management		
State Street Global Advisors			Fixed Income		
Large Core Value	_____%	_____%	Money Market	_____%	_____%
Eaton Vance Management			Independence Capital Management, Inc.		
Large Cap Value	_____%	_____%	Limited Maturity Bond	_____%	_____%
OppenheimerFunds			Independence Capital Management, Inc.		
Mid Cap			Quality Bond	_____%	_____%
Mid Cap Growth	_____%	_____%	Independence Capital Management, Inc.		
Turner Investment Partners			High Yield Bond	_____%	_____%
Mid Cap Value	_____%	_____%	T. Rowe Price Associates		
Neuberger Berman Management			LifeStyle Asset Allocation Funds		
Mid Core Value	_____%	_____%	Independence Capital Management, Inc.		
Lord, Abbett & Co.			Aggressive Allocation	_____%	_____%
SMID Cap			Moderately Aggressive Allocation	_____%	_____%
SMID Cap Growth	_____%	_____%	Moderate Allocation	_____%	_____%
Wells Capital Management			Moderately Conservative Allocation	_____%	_____%
SMID Cap Value	_____%	_____%	Conservative Allocation	_____%	_____%
AllianceBernstein			Fixed Funds		
Small Cap			The Penn Mutual Life Insurance Company		
Small Cap Growth	_____%	_____%	1 year Fixed (RPVA only)	_____%	
Allianz Global Investors Capital			3 year Fixed (RPVA and SFVA* only)	_____%	
Small Cap Index	_____%	_____%	5 year Fixed (RPVA and SFVA* only)	_____%	
State Street Global Advisors			7 year Fixed (RPVA and SFVA* only)	_____%	
Small Cap Value	_____%	_____%	6 Month Fixed (DCA Only)	_____%	
Goldman Sachs Asset Management			12 Month Fixed (DCA only except for RPVA)	_____%	
International			Total (must equal 100%)	_____%	_____%
International Equity	_____%	_____%			
Vontobel Asset Management					
Developed International Index	_____%	_____%			
State Street Global Advisors					
Emerging Markets Equity	_____%	_____%			
Morgan Stanley Investment Management					

*Not available on SFVA (Smart Foundation VA, Flex, Plus) when the Guaranteed Growth & Income or Enhanced Death Benefits are elected.

10. Single Premium Immediate Annuity Contracts Only

A. Payment Frequency

Monthly Quarterly Semi-Annually Annual

First Payment Date: _____ (Payments must start within one year from Issue)

Following the receipt of all money, the first payment will be sent according to the payment mode selected (i.e., monthly, quarterly) unless a specific date is indicated above.

Plan Type

Single:

- Life Only*†
 Certain Only with _____ Guaranteed Payments
 Life with Period Certain* _____ Guaranteed Payments
 Life with Installment Refund*

Joint:

- Joint & Survivor Life*
 Joint & Survivor Life * with Period Certain _____ Guaranteed Payments
Payments will reduce to _____% at the death of either Annuitant
 Joint & Contingent Life*
 Joint & Contingent Life* with Period Certain _____ Guaranteed Payments
Payments will reduce to _____% at the death of the Primary Annuitant

Cost of Living Adjustment (COLA). I elect an increase of _____% compounded annually.
(Non-Qualified Contracts Only is not available with Single Life with Installment Refund)

**If a life contingency is indicated, proof of age is required. Driver's License, Birth Certificate or Passport are acceptable forms of proof.*

†I fully understand that I am purchasing a NO REFUND ANNUITY.

Person to receive Annuity Payments:

Annuitant Joint Annuitant Owner

Fund Life Insurance Policy # _____ (Certain only) _____
Company Name

Other _____
Name

Street Address

City

State

Zip

B. SPIA Payment Information for Direct Deposit

Bank Name

Checking (include a voided check) Savings (include a deposit slip)

ABA Routing Number

Account Number

C. Federal Income Tax Withholding

1. Check here if you do not want any federal income tax withheld from your annuity payment
 2. Check here if you want IRS table withholding based on marital status and number of allowances indicated below
Marital Status Single Married Married but withhold at a higher single rate Number of Allowances _____
Additional withholding (optional) \$ _____
 3. Check here if you only want a specific amount or percentage withheld from each annuity payment \$ _____ or _____ %

Your annuity payments will default to Federal Income Tax Withholding (married and 3 allowances) if no election is made. Your election will remain in effect until you revoke it. You may revoke your election at any time by sending Penn Mutual an IRS Form W-4P. Depending on your state of residency, state withholding may be withheld.

11. Remarks

Blank lines for remarks.

12. Fraud Notices

Any person who knowingly and with the intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

13. Disclosures

IRS Annuity Aggregation Rules

Under IRS regulations, all deferred annuity contracts issued by the same insurance company to the same policyholder during a calendar year are treated as one annuity contract. Under the IRS aggregation rules, all amounts received from such annuities are aggregated for tax calculation and tax reporting purposes.

Revenue Procedure 2011-38

The IRS states that a partial 1035 exchange will be treated as tax-free unless deferred annuity withdrawals are taken within 180 days of the transfer or a SPIA payment option other than a life or certain option with a minimum of 10 years is selected.

Notice for Annuity Purchase in Qualified Plans

The reasons for the purchase of a variable annuity should not include tax deferral when the annuity is intended for use in a tax-qualified retirement plan such as a 401(k), 401(a), IRA, or SEP. The tax deferral is already provided by the tax-qualified retirement plan. In these situations, the reasons for the purchase of a variable annuity should focus on other benefits, such as lifetime income payments, family protection through an enhanced death benefit, multiple fund managers and guaranteed fees.

Qualified Plan/Charitable Remainder Trust (CRT) Tax Reporting

The Penn Mutual Life Insurance Company will not be responsible for any administration or tax reporting for any of the contracts that it issues for the Trust. The Plan Trustee will be responsible for all administration, including tax reporting, trust accounting calculation of trust distribution requirements, annual trust return filings, etc. The Trustee may, at their discretion, retain a qualified Third-Party Administrator (TPA) to perform administration and tax reporting.

Deferred Annuity Contracts Owned by Non-Natural Entities

Deferred annuity contracts owned by non-natural entities do not qualify for tax-deferred treatment of gains in the contract.

14. Replacement

Does the Owner or Annuitant have existing annuity or life insurance contracts? Yes No

Will this contract replace (in whole or in part) any existing annuity or life insurance contract(s)? Yes No

If yes, you must include the State Replacement Form (PM0479) or the applicable state specific form(s) included in the application package.

Have you satisfied RMD for all contracts being replaced? Yes No N/A

Company Name Contract / Policy Number Line of Business

To be completed by Producer:

Will this contract replace (in whole or in part) any existing annuity or life insurance contract(s)? Yes No

15. Acknowledgements and Signatures

I understand that this contract will not be issued until Penn Mutual has received the minimum payment required to open a contract.

I acknowledge that variable annuity contract values, based on the separate account assets, are not guaranteed and will decrease or increase with investment experience.

I understand that unless I select an alternate date, variable and fixed deferred annuities will annuitize at age 95 (of the younger annuitant if a joint contract). Annuitization prior to age 95 may reduce or terminate features available within optional benefits purchased with the contract.

Alternate Annuitization Date (mm/dd/yyyy) _____ / _____ / _____

I hereby represent that my answers to the above Sections are correct and true to the best of my knowledge and belief.

By signing below, I understand that:

- a) This annuity is a long term commitment to meet insurance need and financial goals. The annuity applied for is suitable for my investment objectives and my financial situation and needs.
- b) My signature certifies under penalty of perjury:
 - 1) The number shown in this application as my social security number or taxpayer identification number is correct; and
 - 2) I am not subject to backup withholding because I have not been notified by the IRS that I am subject to backup withholding as a failure to report all interest or dividends and/or the IRS has notified me that I am no longer subject to backup withholding, or I am exempt from backup withholding.

Check this box if you are subject to backup withholding under section 3406(a)(1)(c) of the Internal Revenue Code.

By signing below, I acknowledge receipt of the disclosure (prospectus for variable annuity sales) and an annuity buyer's guide, if required by my state.

Signed at _____ **City** _____ **State** _____ **Date** (mm/dd/yyyy) _____ / _____ / _____

Sign

_____ **Owner Signature/Title** _____ **Date** (mm/dd/yyyy) _____ / _____ / _____

If signing on behalf of an entity, you must indicate official title / position within the entity; if signing as a trustee for a trust, please provide the trustee designation.

Sign

_____ **Joint Owner Signature** _____ **Date** (mm/dd/yyyy) _____ / _____ / _____

Sign

_____ **Annuitant Signature** (if not an Owner) _____ **Date** (mm/dd/yyyy) _____ / _____ / _____

Sign

_____ **Joint / Contingent Annuitant Signature** (if not an Owner) _____ **Date** (mm/dd/yyyy) _____ / _____ / _____

Sign

_____ **Producer's Signature** _____ **Date** (mm/dd/yyyy) _____ / _____ / _____

_____ **Producer's Name: (printed, typed or stamped)**

_____ **Producer's Florida License Identification Number**

16. Mailing Instructions

Regular Mail Delivery
The Penn Mutual Life Insurance Company
 Annuity New Business - C2L
 P.O. Box 178
 Philadelphia, PA 19105-0178

Overnight Service, Certified or Registered Mail Delivery
The Penn Mutual Life Insurance Company
 Annuity New Business - C2L
 600 Dresher Road
 Horsham, PA 19044

Annuitant's Name (First, Middle, Last)

- This contract **is** replacing an existing life insurance policy or annuity contract.
 This contract **is not** replacing an existing life insurance policy or annuity contract.

1. I have complied with all state licensing and educational requirements.
2. I have complied with all required Commission Disclosures.
3. For Fixed Annuity Sales, I have provided the client with the Disclosure and Buyer's Guide for Fixed Annuities as required by certain state regulations.
4. If a replacement is involved, all producers associated with this sale certify that replacement is in the best interests of the Contract owner.

ALL PRODUCERS RECEIVING COMMISSION MUST COMPLETE THE INFORMATION BELOW AND SIGN THIS FORM. ONLY ONE PRODUCER CAN BE INDICATED AS A SERVICING PRODUCER PER CONTRACT.

Producer's Name (Print Name)	PML Office Code (3 Digit)	PML Producer Code (5 Digit)	% of Commission	Servicing Producer Indicate With X	Producer's Email Address

COMMISSION OPTION SELECTED FOR PRODUCTS
(Please choose option 1, 2, or 3. Default Option is option 1. Commission Option availability subject to product selected.)

- Option 1 Option 2 Option 3

I certify to the best of my knowledge the answers to the questions in all parts of this application are true and correct.

X _____
Producer Signature

X _____
Producer Signature

X _____
Producer Signature

X _____
Producer Signature

X _____
Producer Signature

 Telephone Number
()

Business Name

 Broker Dealer or Marketing Organization

For any Fixed Annuity contracts I would like my commission paid to:

- My Broker Dealer (referenced above) Me Directly (if appropriately contracted)
 Fixed House (referenced above) Other _____

This brochure is being provided to you by The Penn Mutual Life Insurance Company to help you make more informed decisions when considering the purchase of a Fixed Deferred Annuity.

The information contained in this brochure was prepared by the National Association of Insurance Commissioners (NAIC), which is an association of state insurance regulatory officials that helps insurance departments across the country coordinate insurance laws for the benefit of all consumers.

This guide does not endorse any company or policy.

It is Important

that you understand the differences among various annuities so you can choose the kind that best fits your needs. This guide focuses on fixed deferred annuity contracts. There is, however, a brief description of variable annuities. If you're thinking of buying an equity-indexed annuity, an appendix to this guide will give you specific information. This Guide isn't meant to offer legal, financial or tax advice. You may want to consult independent advisors. At the end of this Guide are questions you should ask your agent or the company. Make sure you're satisfied with the answers before you buy.

What is an Annuity?

An annuity is a contract in which an insurance company makes a series of income payments at regular intervals in return for a premium or premiums you have paid. Annuities are most often bought for future retirement income. Only an annuity can pay an income that can be guaranteed to last as long as you live. An annuity is neither a life insurance nor a health insurance policy. It's not a savings account or a savings certificate. You shouldn't buy an annuity to reach short-term financial goals.

Single Premium or Multiple Premium

Your value in an annuity contract is the premiums you've paid, less any applicable charges, plus interest credited. The insurance company uses the value to figure the amount of most of the benefits that you can choose to receive from an annuity contract. This guide explains how interest is credited as well as some typical charges and benefits of annuity contracts.

A deferred annuity has two parts or periods. During the accumulation period, the money you put into the annuity, less any applicable charges, earns interest. The earnings grow tax-deferred as long as you leave them in the annuity. During the second period, called the payout period, the company pays income to you or to someone you choose.

What Are the Different Kinds of Annuities?

This guide explains major differences in different kinds of annuities to help you understand how each might meet your needs. But look at the specific terms of an individual contract you're considering and the disclosure document you receive. If your annuity is being used to fund or provide benefits under a pension plan, the benefits you get will depend on the terms of the plan. Contact your pension plan administrator for information.

Single Premium or Multiple Premium

You pay the insurance company only one payment for a single premium annuity. You make a series of payments

for a multiple premium annuity. There are two kinds of multiple premium annuities. One kind is a flexible premium contract. Within set limits, you pay as much premium as you want, whenever you want. In the other kind, a scheduled premium annuity, the contract spells out your payments and how often you'll make them.

Immediate or Deferred

With an immediate annuity, income payments start no later than one year after you pay the premium. You usually pay for an immediate annuity with one payment. The income payments from a deferred annuity often start many years later. Deferred annuities have an accumulation period, which is the time between when you start paying premiums and when income payments start.

Fixed or Variable

• Fixed

During the accumulation period of a fixed deferred annuity, your money (less any applicable charges) earns interest at rates set by the insurance company or in a way spelled out in the annuity contract. The company guarantees that it will pay no less than a minimum rate of interest. During the payout period, the amount of each income payment to you is generally set when the payments start and will not change.

• Variable

During the accumulation period of a variable annuity, the insurance company puts your premiums (less any applicable charges) into a separate account. You decide how the company will invest those premiums, depending on how much risk you want to take. You may put your premium into a stock, bond or other account, with no guarantees, or into a fixed account, with a minimum guaranteed interest. During the payout period of a variable annuity, the amount of each income payment to you may be fixed (set at the beginning) or variable (changing with the value of the investments in the separate account).

How Are the Interest Rates Set for My Fixed Deferred Annuity?

During the accumulation period, your money (less any applicable charges) earns interest at rates that change from time to time. Usually, what these rates will be is entirely up to the insurance company.

Current Interest Rate

The current rate is the rate the company decides to credit to your contract at a particular time. The company will guarantee it will not change for some time period.

- The initial rate is an interest rate the insurance company may credit for a set period of time after you first buy your annuity. The initial rate in some contracts may be higher than it will be later. This is often called a bonus rate.
- The renewal rate is the rate credited by the company after the end of the set time period. The contract tells how the company will set the renewal rate, which may be tied to an external reference or index.

Minimum Guaranteed Rate

The minimum guaranteed interest rate is the lowest rate your annuity will earn. This rate is stated in the contract.

Multiple Interest Rates

Some annuity contracts apply different interest rates to each premium you pay or to premiums you pay during different time periods. Other annuity contracts may have two or more accumulated values that fund different benefit options. These accumulated values may use different interest rates. You get only one of the accumulated values depending on which benefit you choose.

What Charges May Be Subtracted from My Fixed Deferred Annuity?

Most annuities have charges related to the cost of selling or servicing it. These charges may be subtracted directly from the contract value. Ask your agent or the company to describe the charges that apply to your annuity. Some examples of charges, fees and taxes are:

Surrender or Withdrawal Charges

If you need access to your money, you may be able to take all or part of the value out of your annuity at any time during the accumulation period. If you take out part of the value, you may pay a withdrawal charge. If you take out all of the value and surrender, or terminate, the annuity, you may pay a surrender charge. In either case, the company may figure the charge as a percentage of the value of the contract, of the premiums you've paid or of the amount you're withdrawing. The company may reduce or even eliminate the surrender charge after you've had the contract for a stated number of years. A company may waive the surrender charge when it pays a death benefit.

Some annuities have stated terms. When the term is up, the contract may automatically expire or renew. You're usually given a short period of time, called a window, to decide if you want to renew or surrender the annuity. If you surrender during the window, you won't have to pay surrender charges. If you renew, the surrender or withdrawal charges may start over.

In some annuities, there is no charge if you surrender your contract when the company's current interest rate falls below a certain level. This may be called a bail-out option.

In a multiple-premium annuity, the surrender charge may apply to each premium paid for a certain period of time. This may be called a rolling surrender or withdrawal charge.

Some annuity contracts have a market value adjustment feature. If interest rates are different when you surrender your annuity than when you bought it, a market value adjustment may make the cash surrender value higher or lower. Since you and the insurance company share this risk, an annuity with an MVA feature may credit a higher rate than an annuity without the feature.

Be sure to read the Tax Treatment section and ask your tax advisor for information about possible tax penalties on withdrawals.

Free Withdrawal

Your annuity may have a limited free withdrawal feature. That lets you make one or more withdrawals without a charge. The size of the free withdrawal is often limited to a set percentage of your contract value. If you make a larger withdrawal, you may pay withdrawal charges. You may lose any interest above the minimum guaranteed rate on the amount withdrawn. Some annuities waive withdrawal charges in certain situations, such as death, confinement in a nursing home or terminal illness.

Contract Fee

A contract fee is a flat dollar amount charged either once or annually.

Transaction Fee

A transaction fee is a charge per premium payment or other transaction.

Percentage of Premium Charge

A percentage of premium charge is a charge deducted from each premium paid. The percentage may be lower after the contract has been in force for a certain number of years or after total premiums paid have reached a certain amount.

Premium Tax

Some states charge a tax on annuities. The insurance company pays this tax to the state. The company may subtract the amount of the tax when you pay your premium, when you withdraw your contract value, when you start to receive income payments or when it pays a death benefit to your beneficiary.

What Are Some Fixed Deferred Annuity Contract Benefits?

Annuity Income Payments

One of the most important benefits of deferred annuities is your ability to use the value built up during the accumulation period to give you a lump sum payment or to make income payments during the payout period. Income payments are usually made monthly but you may choose to receive them less often. The size of income payments is based on the accumulated value in your annuity and the annuity's benefit rate in effect when income payments start. The benefit rate usually depends on your age and sex, and the annuity payment option you choose. For example, you might choose payments that continue as long as you live, as long as your spouse lives or for a set number of years.

There is a table of guaranteed benefit rates in each annuity contract. Most companies have current benefit rates as well. The company can change the current rates at any time, but the current rates can never be less than the guaranteed benefit rates. When income payments start, the insurance company generally uses the benefit rate in effect at the time to figure the amount of your income payment.

Companies may offer various income payment options. You (the owner) or another person that you name may choose the option. The options are described here as if the payments are made to you.

Life Only

The company pays income for your lifetime. It doesn't make any payments to anyone after you die. This payment option usually pays the highest income possible. You might choose it if you have no dependents, if you have taken care of them through other means or if the dependents have enough income of their own.

Life Annuity with Period Certain

The company pays income for as long as you live and guarantees to make payments for a set number of years even if you die. This period certain is usually 10 or 20 years. If you live longer than the period certain, you'll continue to receive payments until you die. If you die during the period certain, your beneficiary gets regular payments for the rest of that period. If you die after the period certain, your beneficiary doesn't receive any payments from your annuity. Because the "period certain" is an added benefit, each income payment will be smaller than in a life-only option.

Joint and Survivor

The company pays income as long as either you or your beneficiary lives. You may choose to decrease the amount of the payments after the first death. You may also be able to choose to have payments continue for a set length of time. Because the survivor feature is an added benefit, each income payment is smaller than in a life-only option.

Death Benefit

In some annuity contracts, the company may pay a death benefit to your beneficiary if you die before the income payments start. The most common death benefit is the contract value or the premiums paid, whichever is more.

Can My Annuity's Value Be Different Depending on My Choice of Benefit?

While all deferred annuities offer a choice of benefits, some use different accumulated values to pay different benefits. For example, an annuity may use one value if annuity payments are for retirement benefits and a different value if the annuity is surrendered. As another example, an annuity may use one value for long-term care benefits and a different value if the annuity is surrendered. You can't receive more than one benefit at the same time.

What About the Tax Treatment of Annuities?

Below is a general discussion about taxes and annuities. You should consult a professional tax advisor to discuss your individual tax situation.

Under current federal law, annuities receive special tax treatment. Income tax on annuities is deferred, which means you aren't taxed on the interest your money earns while it stays in the annuity. Tax-deferred accumulation isn't the same as tax-free accumulation. An advantage of tax deferral is that the tax bracket you're in when you receive annuity income payments may be lower than the one you're in during the accumulation period. You'll also be earning interest on the amount you would have paid in taxes during the accumulation period. Most states' tax laws on annuities follow the federal law.

Part of the payments you receive from annuity will be considered as a return of the premium you've paid. You won't have to pay taxes on that part. Another part of the payments is considered interest you've earned. You must pay taxes on the part that is considered interest when you withdraw the money. You may also have to pay a 10% tax penalty if you withdraw the accumulation before age 59½. The Internal Revenue Code also has rules about distributions after the death of a contract holder.

Annuities used to fund certain employee pension benefit plans (those under Internal Revenue Code Sections 401(a), 401(k), 403(b), 457 or 414) defer taxes on plan contributions as well as on interest or investment income. Within the limits set by the law, you can use pretax dollars to make payments to the annuity. When you take money out, it will be taxed.

You can also use annuities to fund traditional and Roth IRAs under Internal Revenue Code Section 408. If you buy an annuity to fund an IRA, you'll receive a disclosure statement describing the tax treatment.

What is a "Free Look" Provision?

Many states have laws which give you a set number of days to look at the annuity contract after you buy it. If you decide during that time that you don't want the annuity, you can return the contract and get all your money back. This is often referred to as a free look or right to return period. The free look period should be prominently stated in your contract. Be sure to read your contract carefully during the free look period.

How Do I Know if a Fixed Deferred Annuity Is Right for Me?

The questions listed below may help you decide which type of annuity, if any, meets your retirement planning and financial needs. You should think about what your goals are for the money you may put into the annuity. You need to think about how much risk you're willing to take with the money. Ask yourself:

- How much retirement income will I need in addition to what I will get from Social Security and my pension?
- Will I need that additional income only for myself or for myself and someone else?
- How long can I leave my money in the annuity?
- When will I need income payments?

- Does the annuity let me get money when I need it?
- Do I want a fixed annuity with a guaranteed interest rate and little or no risk of losing the principal?
- Do I want a variable annuity with the potential for higher earnings that aren't guaranteed and the possibility that I may risk losing principal?

What Questions Should I Ask My Agent or the Company?

- Is this a single premium or multiple premium contract?
- What is the initial interest rate and how long is it guaranteed?
- Does the initial rate include a bonus rate and how much is the bonus?
- What is the guaranteed minimum interest rate?
- What renewal rate is the company crediting on annuity contracts of the same type that were issued last year?
- Are there withdrawal or surrender charges or penalties if I want to end my contract early and take out all of my money? How much are they?
- Can I get a partial withdrawal without paying surrender or other charges or losing interest?
- Does my annuity waive withdrawal charges for reasons such as death, confinement in a nursing home or terminal illness?
- Is there a market value adjustment (MVA) provision in my annuity?
- What other charges, if any, may be deducted from my premium or contract value?
- If I pick a shorter or longer payout period or surrender the annuity, will the accumulated value or the way interest is credited change?
- Is there a death benefit? How is it set? Can it change?
- What income payment options can I choose? Once I choose a payment option, can I change it?

Final Points to Consider

Before you decide to buy an annuity, you should review the contract. Terms and conditions of each annuity contract will vary.

Ask yourself if, depending on your needs or age, this annuity is right for you. Taking money out of an annuity may mean you must pay taxes. Also, while it's sometimes possible to transfer the value of an older annuity into a new annuity, the new annuity may have a new schedule of charges that could mean new expenses you must pay directly or indirectly.

You should understand the long-term nature of your purchase. Be sure you plan to keep an annuity long enough so that the charges don't take too much of the money you put in. Be sure you understand the effect of all charges.

If you're buying an annuity to fund an IRA or other tax-deferred retirement program, be sure that you're eligible. Also, ask if there are any restrictions connected with the program.

Remember that the quality of service that you can expect from the company and the agent is a very important factor in your decision.

When you receive your annuity contract, READ IT CAREFULLY! Ask the agent and company for an explanation of anything you don't understand. Do this before any free look period ends.

Compare information for similar contracts from several companies. Comparing products may help you make a better decision.

State Insurance Departments

If you have a specific complaint or cannot get the answers you need from the agent or company, contact your state insurance department at a number listed below.

Alabama 334-269-3550	Illinois 217-782-4515	Montana 406-444-2040	Rhode Island 401-462-9520
Alaska 907-69-7900	Indiana 317-232-2385	Nebraska 402-471-2201	South Carolina 803-737-6160
Arizona 602-364-3471	Iowa 515-281-5705	Nevada 775-687-0700	South Dakota 605-773-3563
Arkansas 501-371-2600	Kansas 785-296-3071	New Hampshire 603-271-2261	Tennessee 615-741-2176
California 916-492-3500	Kentucky 502-564-3630	New Jersey 609-292-7272	Texas 512-463-6169
Colorado 303-894-7499	Louisiana 225-342-5900	New Mexico 505-827-4601	Utah 801-538-3800
Connecticut 860-297-3800	Maine 207-624-8475	New York 212-480-2301	Vermont 802-828-3301
Delaware 302-674-7300	Maryland 410-468-2090	North Carolina 919-733-3058	Virginia 804-371-9741
District of Columbia 202-727-8000	Massachusetts 617-521-7794	North Dakota 701-328-2440	Washington 360-725-7000
Florida 850-413-2850	Michigan 517-373-0220	Ohio 614-644-2658	West Virginia 304-558-3354
Georgia 404-656-2070	Minnesota 651-296-4026	Oklahoma 405-521-2828	Wisconsin 608-266-3585
Hawaii 808-586-2790	Mississippi 601-359-3569	Oregon 503-947-7980	Wyoming 307-777-7401
Idaho 208-334-4250	Missouri 573-751-4126	Pennsylvania 717-783-0442	



National Association of Insurance Commissioners, 2301 McGee St, Suite 800, Kansas City, MO 64108-2604, (816) 842-3600
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Fixed & Variable Annuity Suitability Questionnaire

Fixed Variable

Contract Owner's Name (First, Middle, Last)		Owner's Date of Birth (mm/dd/yyyy)	Owner's Social Security #
Joint Owner's Name (First, Middle, Last)		Joint Owner's Date of Birth (mm/dd/yyyy)	Joint Owner's Social Security #
Tax Bracket %	Household Net Worth \$	Approximate Annual Income of Household \$	How Long Will You Keep This Investment (# of years)
<input type="checkbox"/> U.S. Citizen <input type="checkbox"/> Resident Alien Country _____ Driver's License / Passport # _____ State _____ Exp. Date _____ Owner's Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed <input type="checkbox"/> Separated			
Owner's Employer Name		Owner's Occupation(s)	
Owner's Employer Address (Street)		(City)	(State) (Zip)
1. Financial Holdings - Please provide a description of your other financial holdings/assets, including the estimated dollar amounts of each. _____ _____			
2. Reasons For Purchase - Please provide an explanation for the purchase (required). _____ _____			
3. Investment Experience (check one) <input type="checkbox"/> None – investment experience limited to savings or checking accounts <input type="checkbox"/> Average – has been investing occasionally for a few years and has a general knowledge of the risks and rewards of investing in securities <input type="checkbox"/> Above average – has been investing periodically over a number of years and has an above average knowledge of the risks and rewards of investing in securities <input type="checkbox"/> Active – has been investing frequently over many years and has an extensive knowledge of the risks and rewards of investing in securities			
4. Risk Profile (check one) <input type="checkbox"/> Conservative - Accepts a low return potential. Maintains a low degree of risk. <input type="checkbox"/> Moderate - Accepts fair degree of risk including lack of liquidity, in order to pursue the potential for a modest return. <input type="checkbox"/> Aggressive - Accepts high degree of risk, including a limited loss of principal, in order to pursue the potential for a higher return. <input type="checkbox"/> Very Aggressive - Accepts maximum degree of risk, including total loss of principal, in order to pursue the maximum possible return.			
5. Financial Objective (check one) <input type="checkbox"/> Safety of Principal <input type="checkbox"/> Income <input type="checkbox"/> Growth and Income <input type="checkbox"/> Growth <input type="checkbox"/> Aggressive Growth <input type="checkbox"/> Speculation			
6. Financial Needs/Benefits (check all that apply) <input type="checkbox"/> Death Benefit/Enhanced Death Benefit <input type="checkbox"/> Tax deferral/Tax advantage <input type="checkbox"/> Annuitization Options <input type="checkbox"/> Retirement Funding <input type="checkbox"/> Asset Rebalancing <input type="checkbox"/> Charitable Giving <input type="checkbox"/> Business Purposes <input type="checkbox"/> Savings, Accumulation <input type="checkbox"/> Education/College Funding <input type="checkbox"/> Current Income <input type="checkbox"/> Estate Planning <input type="checkbox"/> Diversification of Investments <input type="checkbox"/> Living Benefit Rider <input type="checkbox"/> Debt Protection <input type="checkbox"/> Other _____			
7. Liquidity Needs (check all that apply to this purchase) <input type="checkbox"/> I do not expect to need these funds during the contract's surrender charge period. <input type="checkbox"/> I understand that withdrawing funds prior to age 59 ½ may result in a tax penalty and do not expect to need these funds prior to 59 ½. <input type="checkbox"/> I understand that withdrawals may adversely affect features associated with elected optional benefits purchased with the Contract. <input type="checkbox"/> Surrender charge free withdrawals will meet my liquidity requirements if available. <input type="checkbox"/> I am 70 years of age or more and this purchase meets my time horizon and liquidity needs.			
8. Product Fees And Charges: M/E charges _____% Administrative charges _____% Rider charges: _____% Total charges _____% Free Amount Percentage of (please check one of the following) _____% <input type="checkbox"/> Cumulative Purchase Payments available each year or <input type="checkbox"/> Account Value (Tax liabilities and/or penalties may be incurred) What is the schedule of surrender charges for the new product? _____ Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9 Year 10 Year 11 Underlying Sub-account Expenses vary from _____% to _____% (This annual charge covers the expenses associated with the management of the investment sub-accounts. My actual fee will depend on the allocation of investments chosen.)			

9. Source of Funds (check all that apply)

- | | | |
|---|---|---|
| <input type="checkbox"/> Current Income | <input type="checkbox"/> Pension / Retirement Account / IRA | Life Insurance or Annuity Contract |
| <input type="checkbox"/> Gift/Inheritance | <input type="checkbox"/> Mutual Funds | <input type="checkbox"/> Surrender <input type="checkbox"/> Loan <input type="checkbox"/> Withdrawal <input type="checkbox"/> Dividends |
| <input type="checkbox"/> Savings | <input type="checkbox"/> Stocks / Bonds | |
| <input type="checkbox"/> Personal Loan | <input type="checkbox"/> CD or Money Market | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Reverse Mortgage | <input type="checkbox"/> Home Equity | |

If using money from another product to fund this purchase, please provide information about the asset you are liquidating. If not, go to section 10.

Name of Company _____ Product Name _____

Year of First Purchase _____ Year of Last Purchase _____ Current Value \$ _____

- Fixed Variable Indexed

Variable Annuities and Life Insurance: Current M/E Charge _____ %

of Years Remaining in Surrender Schedule _____ Potential Surrender Charge \$ _____

Advisory Products: Annual Advisory Fee \$ _____

Life Insurance: Current Coverage \$ _____ Loan Balance \$ _____ Current Dividend \$ _____

Mutual Funds: Fill out the chart below for each fund you are liquidating (attach additional page(s) if necessary)

Fund Family	Fund Name	Share Class	Initial Sales Charge	Potential CDSC
			%	%
			%	%
			%	%
			%	%

Did you purchase this product from your current producer? Yes No

Who initiated the surrender of the current product? Producer Client

My producer has explained the following potential disadvantages associated with this change: (check all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Surrender and CDSC charges on existing product | <input type="checkbox"/> Possible loss of living/death benefits, riders or guarantees |
| <input type="checkbox"/> New surrender period and charges | <input type="checkbox"/> Potential unfavorable tax implications of surrendering an existing account |
| <input type="checkbox"/> Increased expense of new contract | <input type="checkbox"/> Other: _____ |

10. Annuity Experience

Have you switched/exchanged/replaced or surrendered any annuity contract in the past 36 (60 in CA) months? Yes No
If no, go to section 11.

Product Name _____

What was the reason for the transaction? _____

Did you incur any surrender charges as a result of the transaction? Yes No

Have your needs or objectives changed? Yes No (if Yes) How? _____

Was your current producer involved in that transaction? Yes No

11. Acknowledgments and Signatures

The information contained on this form is an accurate description of my (our) investment objectives, financial situation, and employment as it pertains to this account, policy, or contract.

Owner Signature Date	_____/_____/_____ (mm/dd/yyyy)	Joint Owner Signature Date	_____/_____/_____ (mm/dd/yyyy)
Producer Signature (1) Date	_____/_____/_____ (mm/dd/yyyy)	Producer Signature (2) Date	_____/_____/_____ (mm/dd/yyyy)
Producer Signature (3) Date	_____/_____/_____ (mm/dd/yyyy)	Authorized Reviewer Date	_____/_____/_____ (mm/dd/yyyy)

CHECK BOX OF APPLICABLE COMPANY

The Penn Mutual Life Insurance Company
Philadelphia, PA 19172
(800) 523-0650

The Penn Insurance and Annuity Company
Philadelphia, PA 19172
(800) 523-0650

Florida Notice To Applicant Regarding Replacement of Life Insurance

A decision to buy a new policy and discontinue or change an existing policy may be a wise choice or a mistake.

Get all the facts. Make sure you fully understand both the proposed policy and your existing policy or policies. New policies may contain clauses which limit or exclude coverage of certain events in the initial period of the contract, such as the suicide and incontestable clauses which may have already been satisfied in your existing policy or policies.

Your best source for facts on the proposed policy is the proposed company and its agent. The best source on your existing policy is the existing company and its agent.

Hear from both before you make your decision. This way you can be sure your decision is in your best interest.

If you indicate that you intend to replace or change an existing policy, Florida regulations require notification of the company that issued the policy.

Florida regulations give you the right to receive a written Comparative Information Form which summarizes your policy values. Indicate whether or not you wish a Comparative Information Form from the proposed company and your existing insurer or insurers by placing your initials in the appropriate box below.

Yes No

DO NOT TAKE ACTION TO TERMINATE YOUR EXISTING POLICY UNTIL YOUR NEW POLICY HAS BEEN ISSUED AND YOU HAVE EXAMINED IT AND FOUND IT ACCEPTABLE.

I have read this notice and received a copy of it.

Applicant's Signature

Date (mm/dd/yyyy)

Agent's Signature

Date (mm/dd/yyyy)

Agent's Name (Printed or Typed)

Agent's Address (Printed or Typed)

Agent's Company (Printed or Typed)

Information on Policies which may be replaced:

Company Name	Policy Number	Name of Insured
_____	_____	_____
_____	_____	_____
_____	_____	_____



DEPARTMENT OF FINANCIAL SERVICES
Division of Agent & Agency Services - Bureau of Investigation

ANNUITY SUITABILITY QUESTIONNAIRE

PROPOSED ANNUITANT'S PERSONAL INFORMATION

Name: Last _____ First _____ Middle _____
 Date of Birth ____ / ____ / ____ Age ____ Sex ____ Tax Status ____
 Number and Age of Dependents: _____

JOINT ANNUITANT INFORMATION

Name: Last _____ First _____ Middle _____
 Date of Birth ____ / ____ / ____ Age ____ Sex ____ Tax Status ____
 Number and age of Dependents: _____

APPLICANT/OWNER OTHER THAN ANNUITANT/JOINT ANNUITANT

Owner: Last _____ First _____ Middle _____
 Date of Birth ____ / ____ / ____ Age ____ Sex ____
 Entity: _____
 Tax Status _____ Relationship to Annuitant(s): _____
 Form of Ownership: _____
 Supporting documents (list): _____

	APPLICANT	JOINT ANNUITANT
Annual Income:		
Source of Income:		
Annual Household Income:		
Net Worth:		
Liquid Assets:		

Do you currently own any annuities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please list:		
Do you currently own life insurance?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please list:		

_____/_____/_____
 Applicant's Signature Date Joint Applicant's Signature Date

	APPLICANT	JOINT ANNUITANT
Does your income cover all your living expenses including medical?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Explain:		
Do you expect changes to your living expenses?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Explain:		
Do you anticipate changes in your out-of-pocket medical expenses?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Explain:		
Is your income sufficient to cover future changes in your living and/or out-of-pocket medical expenses during the surrender charge period?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, please explain:		
Do you have an emergency fund for unexpected expenses?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please explain:		

Why are you purchasing this annuity? _____

What are your investment objectives? (Check all that apply)

- Income
 Growth (long term)
 Safety of Principal and Income
 Safety of Principal and Growth
 Pass assets to a beneficiary or beneficiaries at death
 Other: _____

Describe your risk tolerance: (Check all that apply)

- Conservative
 Moderately conservative
 Moderate
 Moderately aggressive
 Aggressive
 Other: _____

Comments: _____

Describe your investment experience by type and length of time: _____

What is the source of the funds for the purchase of the proposed annuity? _____

How long do you plan to keep the proposed annuity? _____

Will the proposed annuity replace any product? Yes No

If yes, will you pay a penalty or other charge to obtain these funds? Yes No

If yes, the amount of the charge or penalty \$ _____ .

 Applicant's Signature / Date Joint Applicant's Signature / Date

Note:

This section to be completed by the agent, insurer, or Managing General Agent proposing purchase

Advantages of purchasing the proposed annuity:

Disadvantages of purchasing the proposed annuity:

The basis for my recommendation to purchase the proposed annuity or to replace or exchange your existing annuity (ies):

Agent's Signature

Date Signed

Note: No questions or response areas are to be left blank when offered to the Annuitant and/or Applicant for signature. If any information requested is unavailable, not applicable or unknown, the insurance agent or insurer must indicate that.

ACKNOWLEDGEMENTS AND SIGNATURES

I understand that should I decline to provide the requested information or should I provide inaccurate information, I am limiting the protection afforded me by the Florida Statutes regarding the suitability of this purchase.

- I have chosen **NOT** to provide this information at this time.
- I have chosen to provide **LIMITED** information at this time.

APPLICANT:

DO NOT SIGN THIS FORM IF ANY ITEM HAS BEEN LEFT BLANK, BEFORE CAREFULLY REVIEWING THE INFORMATION RECORDED, OR IF ANY OF THE INFORMATION RECORDED IS NOT TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE.

THE APPLICANT, JOINT APPLICANT AND/OR OWNER MAY SUBSTITUTE THEIR INITIALS FOR SIGNATURES ON ALL FORM PAGES WITH THE EXCEPTION OF THE SIGNATURES BELOW, WHICH ARE REQUIRED.

Applicant or Owner Signature

Date Signed

Joint Applicant or Owner Signature

Date Signed

EXPLANATION OF TERMS

“Age” is the natural person’s attained age on the day the form is completed.

“Tax Status” is the senior consumer’s Federal Income Tax filing status such as “single” or “married filing jointly”; if “Exempt”, so state.

“Form of Ownership” is the type of entity, other than a natural person, including a corporation, trust, partnership, limited liability company, or other business or not-for-profit entity.

“Supporting documents” are the documents that provide a basis for the relationship between the Proposed Annuitant, Joint Annuitant if applicable, and the Applicant/Owner as it may exist.

“Annual income” is income received during a calendar year, whether earned or unearned.

“Source of annual income” is the income-generating source, such as pension income, dividends, or earned income etc.

“Annual household income” is the combined annual income received by all household members each calendar year.

“Total Net Worth” is the senior consumer’s total assets minus total liabilities or encumbrances applicable to those assets.

“Liquid Assets” are financial holdings that can readily be converted into their cash equivalent, without loss of principal.

“Investment Objectives” are the senior consumer’s stated goals as described to the insurance agent or insurer, if no insurance agent is involved. These may include but are not limited to the following: (1) Income, (2) Growth (long term capital appreciation), (3) Safety of Principal and Income, (4) Safety of Principal and Growth, (5) To pass the investment to a beneficiary or beneficiaries at death.

“Risk Tolerance” means the degree of uncertainty that an investor can reasonably tolerate with regard to a negative change in his or her investments. Examples of risk tolerance levels may include the following: (1) Conservative (prefer little or no risk), (2) Moderately conservative (some risk, reduced safety of principal), (3) Moderate (average risk with potential losses and potentially higher returns), (4) Moderately aggressive (above average risk with potential losses, risk of principal and potentially higher returns), (5) Aggressive (willing to sustain losses or loss of principal in pursuit of higher returns).

“Source of the funds” to be used to purchase the proposed annuity means from where the funds will come to purchase the annuity, and may include but are not limited to; (1) An existing annuity or life insurance contract, (2) Liquid Assets, including but not limited to, cash in banks, maturing certificates of deposit, and money market accounts, (3) Personal Loans, (4) Equity Loans, (5) Mortgages, Reverse Mortgages, (6) Death Benefit Proceeds, (7) Funds received upon retirement from employment, including but not limited to, 401(k) accounts, pensions, and other tax-sheltered funds, (8) Equities, mutual funds, or bonds, (9) Proceeds from real estate transactions.

“Intended use of the annuity” means the purpose for which the senior consumer is considering the recommended purchase or exchange. This may include the following: (1) Immediate income (within 60 days or less), (2) Tax Shelter (protection from taxation of all types while in force), (3) Interest earnings, (4) Income stream at a stated age, (5) Creditor Protection (a desire to protect assets from attachment by any legal process), (6) Other, as stated by the Senior Consumer.

Applicant’s Signature

Date

Joint Applicant’s Signature

Date



DEPARTMENT OF FINANCIAL SERVICES
Division of Agent & Agency Services - Bureau of Investigation

DISCLOSURE AND COMPARISON OF ANNUITY CONTRACTS

<p style="text-align: center;">EXISTING ANNUITY CONTRACT</p> <p>Annuitant(s) _____</p> <p>Insurer _____</p> <p>Contract # _____</p>	<p style="text-align: center;">PROPOSED ANNUITY CONTRACT</p> <p>Annuitant(s): _____</p> <p>Insurer: _____</p> <p>Application #: _____</p>
--	--

	EXISTING ANNUITY CONTRACT	REPLACEMENT ANNUITY
Contract Issue Date	Mo Day Yr	Mo Day Yr (Est)
Generic Contract Type		
Marketing Name		
Initial Premium		
Source of Initial Premium		N/A
Qualified Contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Annuity Maturity Date		
Death Benefit Amount		
Change of Annuitant upon Death Available?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Surrender Charge Period in Years		
First Year Surrender Charge Percentage Rate	%	%
Surrender Charge Schedule for Remaining Years		
Free Withdrawals Available?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Annual Free Withdrawal Percentage Rate	%	%
Waiver of Surrender Charge Benefit or Similar Benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Minimum Guaranteed Interest Rate	%	%
Market Value Adjustment?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Asset Fees		
Initial Bonus Percentage or Amount		
Potential Loss of Bonus if Exchanged?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Limits and Exclusions for Bonuses that may be Payable		
Interest Rate Cap		
Participation Rate		
Index Type		
Administrative Fees or Margins		
(List limitations, requirements, exclusions of the benefit)		

Other: _____

Applicant Signature _____ / _____ Date	Joint Applicant Signature _____ / _____ Date
---	---

**DISCLOSURE OF SURRENDER CHARGES IF
EXISTING ANNUITY IS REPLACED OR EXCHANGED**

EXISTING ANNUITY CONTRACT NO. _____

Annuity Total Valueⁱ \$ _____ Annuity Surrender Valueⁱⁱ \$ _____

Surrender Chargesⁱⁱⁱ Applicable at exchange \$ _____ ~ this is the estimated amount that will be deducted from the existing annuity's total value if surrendered, replaced, or exchanged, with an anticipated surrender date of ____ / ____ / ____ .

ACKNOWLEDGEMENTS AND SIGNATURES

I acknowledge that I have provided the Applicant with a completed and signed copy of this form.

Agent's Name (please print)

Florida License No.

Agent's Signature

Date Signed

NOTE: NO QUESTIONS OR RESPONSE AREAS ARE TO BE LEFT BLANK WHEN OFFERED TO THE ANNUITANT AND/OR APPLICANT FOR SIGNATURE. IF ANY INFORMATION REQUESTED IS UNAVAILABLE , NOT APPLICABLE OR UNKNOWN, THE INSURANCE AGENT OR INSURER MUST INDICATE THAT.

THE APPLICANT, JOINT APPLICANT AND/OR OWNER MAY SUBSTITUTE THEIR INITIALS FOR SIGNATURES ON ALL FORM PAGES WITH THE EXCEPTION OF THE SIGNATURES BELOW, WHICH ARE REQUIRED.

APPLICANT: DO NOT SIGN THIS FORM IF:

- 1. ANY ITEM HAS BEEN LEFT BLANK;**
- 2. WITHOUT CAREFULLY REVIEWING THE INFORMATION RECORDED; OR**
- 3. IF ANY OF THE INFORMATION RECORDED IS NOT TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE.**

Applicant's Name (please print)

Date Signed

Applicant's Signature

Joint Applicant's Name (please print)

Date Signed

Joint Applicant's Signature

EXPLANATION OF TERMS

“Generic Contract Type” is the generic name of the annuity contract form as approved by the Florida Office of Insurance Regulation. Examples of generic annuity contract names are Flexible Premium Equity Indexed Annuity (FPEIDA), Single Premium Immediate Annuity (SPIA), Flexible Premium Variable Deferred Annuity (FPVDA), and Single Premium Deferred Annuity (SPDA).

“Marketing Name” is the name adopted by the insurer to identify the contract form.

“Qualified Contract” means a product used to fund any type of pension plan approved by the Internal Revenue Service.

“Annuity Maturity Date” is the final date of termination of the contract at which time the proceeds of the contract must be paid out.

“Surrender Charge” is the amount deducted from annuity contract values upon surrender of an annuity, or for withdrawals exceeding any free withdrawal provision of the contract, regardless how this charge is titled in the policy, e.g., deferred sales charge.

“Surrender Charge Period” is the number of annuity contract years a surrender charge may be applicable.

“Initial Surrender Charge Percentage Rate” is the original percentage rate that is deducted from annuity values at the inception of the existing annuity contract, or that will be deducted from the recommended replacement contract at its inception if purchased.

“Surrender Charge Percentage Schedule for Remaining Years” the percentage rate that would be deducted from the existing annuity contract if surrendered, or for any withdrawals exceeding the “free withdrawal” limit.

“Minimum Guaranteed Interest Rate” is the minimum interest rate payable under the annuity contract as guaranteed by the insurer in the annuity contract.

“Initial Bonus Percentage or Amount” is a bonus paid by the insurer, generally, at inception of the annuity contract, and may be expressed as a percentage of the initial premium or other amount, or a dollar amount, and must be stated in the annuity contract.

“Potential Loss of Bonus if Exchanged” refers to whether any bonus would be lost if the annuity contract was exchanged or terminated for any reason.

“Interest Rate Cap” is the maximum interest earnings that will be credited to the annuity contract.

Applicant Signature

Date

Joint Applicant Signature

Date

EXPLANATION OF TERMS

(CONTINUED)

“Participation Rate” is the percentage of the increase or return of the underlying stock market index that will be used to calculate the return.

“Index Type” is the financial measurement used by the insurer to make certain calculations within an annuity contract. Examples of such indices include Standard and Poor’s 500 and the Russell 2000.

“Market Value Adjustment” is the increase or decrease in the surrender value of the contract that is adjusted to reflect market fluctuations.

“Administrative Fees or Margins” are charges that amount to the difference between the percentage gain in the index and the actual amount credited to the annuity contract.

“Asset Fees” are the fees the insurer charges that are a percentage of the value of the annuity contract.

“Death Benefit Amount” is the net amount that would be paid to the annuitant’s designated beneficiary or beneficiaries of an existing annuity, or the death benefit that the proposed replacement policy would pay as of the contract issue date.

“Free Withdrawals” are the withdrawals that may be taken from an annuity’s values that are not subject to surrender or other charges and are a provision of the annuity contract.

“Annual Free Withdrawal Percentage Rate” is the percentage of available funds that may be withdrawn from an annuity contract, generally on an annual basis and is stated in the annuity contract.

“Change of Annuitant upon Death” is a provision that allows another person to become the annuitant upon the death of the original annuitant allowing the contract to remain in force.

“Waiver of Surrender Charge Benefit or Similar Benefit or Provision” is a benefit that is built into individual annuity contracts or added by rider, endorsement or amendment. The benefits are triggered by a qualifying event associated with either the annuitant or owner, as specified in the contract.

ⁱ This amount represents the current value of the existing annuity, less any withdrawals or other deductions.

ⁱⁱ This amount represents the surrender value of the existing annuity.

ⁱⁱⁱ Surrender charges or fees that will be deducted from #1 if you exchange or otherwise terminate your existing annuity.

Applicant Signature

Date

Joint Applicant Signature

Date



Thinking of Using The Values of A Current Life Insurance Policy or Annuity Contract To Fund A New Policy or Contract?

If so, please consider the following:

Each individual has unique financial objectives, which may change over time. There are many reasons for purchasing life insurance and annuity products and there are many different vehicles available to help you reach your objectives.

A “replacement” is defined as a transaction by which a new life insurance policy or a new annuity contract is being purchased and, to support this purchase, an existing policy or contract will be terminated, converted to paid up, amended, or otherwise adjusted by using the values in that policy or contract. The decision to replace an existing product must be made with care and you should consider the following:

1. Your current policy or contract may be modified to satisfy your financial goals.
2. Premiums on a new policy may be higher due to age and health.
3. A 2 year contestability period and/or suicide clause may exist on a new policy, which jeopardizes your death protection.
4. By replacing coverage, you may be sacrificing dividends or the availability of cash surrender value, which is slow to build in the initial years of a new policy.
5. Loan rates, disability benefits, investment options and other features may differ with a new policy or contract. The amount of risk incurred may differ with different types of policies.
6. There may be charges incurred for surrendering your existing coverage.
7. A new policy or contract may have a different surrender charge schedule.
8. A replacement may have tax consequences, especially if you have loans on an existing policy or an annuity withdrawal is made prior to age 59 1/2.
9. Incurring loans or taking a withdrawal from an existing policy may reduce your death benefit.

I encourage you to obtain additional materials and facts to make a well-informed decision. You should understand why your current policy or contract will not meet your goals. Please let me know if I can provide any further assistance in helping you to understand all of the above features for both your existing and proposed coverage.

Applicant’s Certification

I have considered all of the issues outlined above and understand the ramifications of using the values of my current coverage to fund the proposed coverage. I feel that the proposed coverage more adequately addresses my financial goals.

Name of Applicant (please print)

Signature of Applicant

Date (mm/dd/yyyy)

Agent’s Signature

I have asked the applicant to consider the above points and have disclosed to the applicant any benefits that will be lost and why the current coverage will not meet the applicant’s stated financial objectives.

Name of Agent (please print)

Signature of Agent

Date (mm/dd/yyyy)

Forms needed to complete a 1035 Exchange for Life or Annuity:

PM 8297 (1035 Exchange/Transfer Request Form)

PM8297A (1035 Exchange Disclosure Statement)

Form needed to complete a Transfer or Direct Rollover:

PM8297 (1035 Exchange/Transfer Request Form)

All forms **MUST** be fully completed, dated, and signed by the appropriate parties.

Signature of spouse is required if Community Property State: (AZ, CA, ID, LA, NM, NV, TX, WA, WI)

A separate Exchange/Transfer form must be completed for each carrier involved; multiple policies/contracts from the same carrier can use one form.

For life insurance exchanges and transfers an illustration showing the exchange must be submitted.

Policies and contracts with Collateral Assignments must have the Assignment released prior to the exchange.

Irrevocable Beneficiaries **MUST** sign the Exchange/Transfer form in addition to the owner.

1. Owner/Insured/Annuitant Information (please print)	
Owner Name (First, Middle, Last)	SSN/TIN
Joint Owner Name (First, Middle, Last)	SSN/TIN
Insured/Annuitant Name (First, Middle, Last)	SSN/TIN
Joint Insured/Annuitant Name (First, Middle, Last)	SSN/TIN
2. Return of Contract or Policy	
<p>If you are transferring the full value of your current contract or policy, you must attach the contract or policy pages to this form. If you do not have a contract or policy, please check the reason below.</p> <p><input type="checkbox"/> The contract or policy was lost or destroyed</p> <p><input type="checkbox"/> A contract or policy does not exist for the account that is being transferred (i.e., CD, Mutual Fund)</p>	
3. Current Policy/Contract Information (please print)	
Current Company Name (please attach a current client statement)	Phone #
Street Address (PO Boxes are not permitted) City	State Zip
Contract(s) / Policy Number(s) being exchanged / transferred	
<p>I hereby request the Liquidation and Transfer of the above listed contract / policy number(s) for the:</p> <p><input type="checkbox"/> Full Value</p> <p><input type="checkbox"/> Partial Value in the amount of \$ _____ or _____ % of my present account (annuity only)</p> <p><input type="checkbox"/> Maximum amount without penalty (annuity only)</p> <p>Transfer / Rollover / Exchange the proceeds to a:</p> <p><input type="checkbox"/> New Life Policy</p> <p><input type="checkbox"/> New Annuity Contract</p> <p><input type="checkbox"/> Existing Penn Mutual Annuity Contract # _____ (annuity only)</p> <p>I understand I will incur a penalty of: <input type="checkbox"/> 0% or _____ % totaling \$ _____ by liquidating the requested amount.</p> <p>Transfer the proceeds: <input type="checkbox"/> Immediately or <input type="checkbox"/> Specific date _____</p>	
4. Transfer and 1035 Exchange Election (please select only one option)	
<p><input type="checkbox"/> Option A: 1035 Exchange</p> <p>My present account is a: <input type="checkbox"/> Life Insurance Policy <input type="checkbox"/> Fixed Annuity <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Endowment</p> <p>The required state replacement form(s) must accompany this request</p> <p>Loan Election:</p> <p>I request that any loan(s) on my existing Life Insurance Policy(s) be:</p> <p><input type="checkbox"/> Carried over to the new policy <input type="checkbox"/> Extinguished during the exchange (note: this may trigger a taxable event)</p> <p>Loans being carried over to the Accumulation Builder Flexible Premium Adjustable Indexed Life Insurance Policy must elect an interest option below to apply to the transferred loan.</p> <p><input type="checkbox"/> Traditional Loan Option:</p> <p>Loan is first deducted from the Fixed Account, then from the Holding and Indexed Accounts. This loan option credits an interest rate equal to the policy loan rate that is charged on the loan amount after the first 10 policy years. The credited loan interest rate is decreased by 1% for loans taken out in the first 10 policy years.</p>	

4. Transfer and 1035 Exchange Election (continued)

Indexed Loan Option:

Available only in the cash surrender value in the Indexed Account segments. The outstanding loan amount continues to earn an interest rate based on the indexed credit for the segment(s) from which the money was borrowed. The cost of the loan is the difference between the declared variable loan rate charged and the indexed credit for mature account segments. If there is not enough money in the indexed account to cover the loan, funds must be transferred from the Fixed Account on the segment date in order to take the full loan amount. However, there is a risk that the interest rate credited can fall below the rate being charged on the loan - but never less than the 2 percent floor.

Option B: Transfer of Non-Qualified Funds

My present account is a: Mutual Fund CD Individual Account Other _____

Option C: Transfer or Rollover of Qualified Funds (Trustee to Trustee)

My present account is a:

- Traditional IRA SEP-IRA Simple IRA Inherited Stretch IRA
 401(a) 401(k) 403(b) (with triggering event) 457(b) Governmental
 Other Retirement Plan _____

Required Minimum Distribution status for the current tax year: (if applicable)

- RMD has already been satisfied. RMD has not been satisfied. Please process before transfer.

If you are neither the Owner nor the Annuitant of the existing contract, check where applicable below:

- Surviving spouse beneficiary of deceased annuitant
 Former spouse receiving distribution under a Qualified Domestic Relations Order "QDRO".*

*To process, we require a copy of the QDRO.

5. Authorization (Select the same option as page two - a signature guarantee may be required)

Option A: Absolute Assignment and Exchange Request by Contract Owner

I hereby absolutely assign all rights, title and interest in the contract(s) listed above, without exception, limitation or reservation, to The Penn Mutual Life Insurance Company or The Penn Insurance & Annuity Company (hereinafter referred to as "The Company.") Further, I hereby revoke all prior beneficiary designations and designate The Company as the sole beneficiary of the existing contract. I hereby authorize The Company to forward a copy of this Absolute Assignment and Exchange Request to the issuer of my current contract(s). I certify that there are no other assignments on said contract(s) and that no petition in bankruptcy has been filed by or against me.

I expressly represent that the sole purpose of this assignment is to affect an exchange of a life insurance, endowment or annuity contract under Section 1035 of the Internal Revenue Code. I acknowledge that Penn Mutual is furnishing this form and is participating in this transaction at my specific request as an accommodation to me.

I request that The Company, upon satisfaction of its underwriting requirements, surrender the existing contract(s) for the full or partial cash value of said existing contract(s) and immediately upon receipt of surrender amounts and as part of the same transaction, apply all surrender amounts received to the Company contract. I understand that after The Company submits the request for surrender of the existing contract(s) to the current issuer and the surrender is processed by the current issuer, such contract(s) will no longer be in force and effect and that the designated beneficiaries cannot receive the proceeds from such contract(s) in the event of the death of the insured, or in the case of an annuity, the annuitants or contract owner.

Option B or C: Request for Trustee-to-Trustee Transfer or Direct Rollover

I hereby direct the current institution to convert to cash the assets held for the owner in the account and to transfer this money to The Company. I have completed an application for a Life Insurance policy, Annuity contract or have an existing Annuity contract to receive the transferred money. I understand that The Company assumes no responsibility for tax treatment of this matter and I shall be responsible for payment of all federal, state and local taxes incurred with respect to the liquidation of the account. (If the existing contract(s) is funding a qualified plan, ownership of the existing contract(s) is not transferred by this Absolute Assignment and Exchange Request.)

5. Authorization (continued)

You hereby certify that you have read and understand the terms of this form and that the information provided on this form is true and complete to the best of your knowledge.

Owner Signature

Date (mm/dd/yyyy)

Other Signature (if applicable)
(e.g., joint owner, co-trustee, irrevocable beneficiary or spouse, if Community Property State, etc)

Date (mm/dd/yyyy)

Title (Required if the owner is a trust, custodian, partnership or corporation)

Signature Guarantee (If applicable)
A separate guarantee is needed for each signature.

6. Acceptance of transfer/Rollover/1035 Exchange (Home Office use only)

We request the liquidation and transfer of the account listed in Section 3. By our signature below, we represent that the account described is or is intended to be an account of the type indicated and that we will accept the Section 1035 Exchange/Transfer on behalf of the person(s) named on this form. Please provide us with the **Pre and Post TEFRA Cost Basis** in the current policy/contract, if applicable.

Authorized Officer Signature

Title

Date (mm/dd/yyyy)

Generally, the surrender of an existing insurance or annuity contract is a taxable event; the contract owner must recognize any gain on the original, surrendered contract as current income. IRS section 1035 provides a tax-free method of exchanging an existing life, endowment or annuity contract for a new contract. If the exchange meets the conditions of Section 1035 of the Internal Revenue Code, the transfer will be a non-taxable event.

No limit is imposed on the number of contracts that can be exchanged for the one contract. However, all contracts must be on the same insured and have the same owner. Changes in ownership may occur after the exchange is completed. The contracts must be life insurance, endowment or annuity contracts issued by a life insurance company. Exchanges must be: from a life insurance contract to a life insurance contract; from a life insurance contract to an annuity contract; from an endowment contract to an annuity contract or from an annuity contract to an annuity contract.

For a transaction to qualify as a 1035 Exchange, the original contract must actually be exchanged for a new contract. It is not sufficient for the policy owner to receive a check and apply the proceeds to the purchase of a new contract. The exchange must take place between the two insurance companies. Receipt by the policy owner of any portion of the surrender proceeds from contracts being exchanged may be treated as a taxable event. This includes outstanding policy loans extinguished during the exchange process.

The policyowner has several ways to deal with an outstanding loan on the original life policy. The loan can be extinguished or canceled at the time of the exchange. If there is a gain in the contract, cancellation of the loan on the original policy is considered a distribution and may be a taxable event. To avoid this result, the policyowner can pay off the existing loan prior to the exchange. A second way of avoiding a taxable event due to the loan would be for the old loan to be carried over onto the new contract.

Life insurance contracts issued before June 21, 1988 may lose preferential tax treatment afforded them under Internal Revenue Code Section 7702 and 7702A under certain circumstances in a 1035 Exchange. The new policy may be classified as a modified endowment contract ("MEC") and taxed accordingly. Most single premium life insurance policies issued after June 21, 1988 are characterized as MECs. If two or more policies are exchanged for a single contract and at least one of the existing contracts is a MEC, the new policy will also be a MEC.

The contract owner must indicate that a Section 1035 Exchange is being initiated at the time the new application is completed. The policy owner and the Internal Revenue Service will receive an Internal Revenue Form 1099R from the original company indicating that an exchange has been made.

For Annuity Contracts only, you should be aware that some insurance companies do not recognize partial 1035 exchanges. If you are partially exchanging into Penn Mutual/PIA, your existing annuity issuer (the tax reporting agent for the transaction) may report your partial exchange as a taxable event to the extent of any gain distributed; they may also report that the taxable portion of the distribution is subject to a 10% early withdrawal penalty. If this occurs, it will be your responsibility to claim this transaction as a tax-free 1035 exchange on your income tax return.

The foregoing discussion is general and is not intended as tax advice. Your independent tax advisor should be consulted for more complete information. This discussion is based on the Company's understanding of federal income tax laws as they are currently interpreted by the Internal Revenue Service. Penn Mutual makes no representations or guarantees and assumes no liability with regard to the tax consequences of this exchange.

I hereby acknowledge that I have received, read and signed a copy of the above "Section 1035 Disclosure Statement" and fully understand the importance of correctly determining the tax status of all policies to be exchanged as well as the possible tax consequences which can result under the situations described above.

Dated at _____ this _____ day of _____, 2 _____

Signature of Contract Owner