



Individual Annuity Application **GENERIC**

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)

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

<p style="text-align: center;">Inflation Protector VA</p> <p>Inflation Protector</p> <p><input type="checkbox"/> Single <input type="checkbox"/> Joint</p>	<p style="text-align: center;">OR</p> <p style="text-align: center;">Smart Foundation VA, Flex, Plus</p> <p style="text-align: center;">(May Pick Two)</p> <p><input type="checkbox"/> Guaranteed Growth & Income <input type="checkbox"/> Enhanced Death Benefit</p> <p style="text-align: center;"><input type="checkbox"/> Single <input type="checkbox"/> Joint</p> <p style="text-align: center;">-----OR-----</p> <p><input type="checkbox"/> Guaranteed Minimum Accumulation Benefit (Not available with any other rider)</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Single</p>	<p style="text-align: center;">OR</p> <p style="text-align: center;">Retirement Planner VA</p> <p style="text-align: center;">(May Pick One)</p> <p><input type="checkbox"/> Step-Up Plus <input type="checkbox"/> Rising Floor <input type="checkbox"/> Estate Enhancement (Not available in NY and WA)</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Single</p>
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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, Abnett & 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.

11. Remarks

Blank lines for remarks.

12. Fraud Notices

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

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

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	



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The Penn Mutual Life Insurance Company (“**The Company**”) is a Pennsylvania mutual life insurance company chartered in 1847. We are licensed to sell insurance in all 50 states and the District of Columbia. We are located at 600 Dresher Road, Horsham, PA 19044. Our mailing address is The Penn Mutual Life Insurance Company Attn: Customer Service Group, Philadelphia, PA 19172.

This disclosure document describes an Individual Fixed Immediate Annuity Contract with a Single Purchase Payment, Form numbers A-80, A-81, A-82, A-83, A-84, AC-80. This annuity is fixed, which means it earns a guaranteed interest rate during the life of the contract. This is an immediate annuity which means payouts must begin within 13 months of the issue date. The annuity allows for a single premium, which must be paid in full prior to the delivery of the policy. A Single Premium Immediate Annuity is an ideal solution for clients at or near retirement who are looking to cover fixed expenses or want steady, secure income in their retirement plan. The annuity is non-refundable and has no surrender value or death benefit after any guaranteed payment period, if applicable to the SPIA option selected. Guaranteed payment period payments cannot be commuted.

The single premium is used to determine the annuity payments paid out to you immediately. There are minimum and maximum limits to the premium that is made to the annuity contract.

This is a summary document and not part of your contract with the insurer. This annuity is subject to regulatory oversight by your state department of insurance. Consumers in New Jersey may contact the Department of Banking and Insurance at 609-272-7272 or 1-800-446-7467 or at the website www.njdobi.org for assistance.

Definitions

Annuitant(s). The Person(s) during whose life annuity payments are made.

Beneficiary. The person(s) named by the Contract Owner to receive payments, if applicable, upon death of the Annuitant(s).

Contract Owner. The person specified in the contract as the contract owner. The Contract Owner has all rights to control all aspects of the contract at the time of issue.

Payee(s). The person(s) or entity named to whom annuity payments are made.

Purchasing Your Contract

Premium Requirements

The minimum premium, regardless of Market Type, is \$2,500. There is a \$3,500,000 maximum premium on life-contingent annuities. For period certain only annuities, there is a maximum premium of \$5,000,000 with Home Office approval. Subsequent premiums after the issue date are not allowed with this annuity.

Issue Age Requirements

The maximum issue age for this annuity is insurance age 89. However, there are restrictions on specific annuity options available depending on the issue age:

Issue Age Under 15 Period certain for a minimum of 5 years and up to 30 years

Issue Age 15 through 85 All standard options available
 Period Certain limited to the lesser of 30 years or your life expectancy(s) (minimum Period Certain is 5 years)

Life Expectancy is defined by the Internal Revenue Code:
 Qualified Contracts
 IRC Table V (single life), IRC Table VI (joint lives)

Non-Qualified Contracts
 Next 5 year multiple of IRC Table V (single life), IRC Table VI (joint lives)

Issue Age 86+ Restricted to specific options

Purchasing Your Contract (continued)

Right to Review Your Contract

There is a 10-day cancellation period during which you may return the annuity for any or no reason. Simply return or mail the Contract to the Company or the representative through whom it was purchased, along with written request to cancel the Contract. You will receive a refund of your premium, including any contract fees or other charges. If the Contract is a Replacement Contract, it may be cancelled within 30 days of receipt.

Ownership

This Contract is non-transferrable and not assignable.

Fees and Charges

There are no contract fees, annual service fees, or expense charges related to the annuity.

Access to Your Money

There is no access to your premium through the life of the contract other than through Annuity Payments according to the Annuity Option chosen by the Contract Owner at issue (described in the "Annuity Options" section). There is no way to surrender/cancel the annuity once the Right to Review period ends.

Annuity Options

You must choose, at issue date, one of the following Fixed Annuity Options:

- **Certain Only.** Payments will be made for a specified number of years, which may not be less than 5 or more than 30.
- **Life Annuity.** Payments will be made for the life of the Annuitant. Payments will cease with the last payment due prior to the Annuitant's death.
- **Life Annuity with Period Certain.** Payments will be made for the life of the Annuitant, with a guaranteed payment period from 5 to 30 years.
- **Life Annuity with Installment Refund.** Payments will be made for the life of the Annuitant, with guaranteed payments that will continue until total payments are equal to initial investment amount.
- **Joint and Survivor Life Annuity.** Payments will be made during the joint lives of the Annuitants and thereafter during the life of the surviving Annuitant. Payments will end with the last payment due before the death of the later Annuitant to die.
- **Joint and Survivor Life Annuity with Period Certain.** Payments will be made during the joint lives of the Annuitants and thereafter during the life of the surviving Annuitant. Payments are guaranteed for a period of time ranging from 5 to 30 years.
- **Joint and Contingent Life Annuity.** Payments will be made during the joint lives of the Annuitants, with one Annuitant being deemed Primary and the other Annuitant deemed Contingent Annuitant. Payments will be made to the Primary Annuitant for the life of the Primary Annuitant, and then continue for the life of the Contingent Annuitant upon death. If the Contingent Annuitant dies before the Primary Annuitant, then payments will be made for the life of the Primary Annuitant.
- **Joint and Contingent Life Annuitant with Period Certain.** Payments will be made during the joint lives of the Annuitants, with one Annuitant being deemed Primary and the other Annuitant deemed Contingent Annuitant. Payments are guaranteed for a period of time ranging from 5 to 30 years.

Annuity Payments

Periodic payments will be made to the designated Payee, or to the Beneficiary upon death of the Annuitant, if applicable. Annuity payments may be made monthly, quarterly, semiannually, or annually at Contract Owner's request at issue. If necessary, we will adjust the requested frequency of your payments so that they are at least \$25 each.

What Happens Upon Death?

Depending on the annuity payout option chosen, and the time into the payout period the Annuitant dies, the Beneficiary may receive payments after the Annuitant's death.

Life Only

For life-contingent only annuity options, upon death of the Annuitant, or last surviving Annuitant for a joint option, payments will cease and there are no payments made to the Beneficiary.

Period Certain & Installment Refund: Single

For Single Period Certain and Installment Refund annuity payout options, if the Annuitant dies prior to the end of the guaranteed payment period, guaranteed payments will continue to be paid to the Beneficiary until the end of the guaranteed period.

Period Certain: Joint

For Joint & Survivor Period Certain annuity payout options, upon first death of either Annuitant, guaranteed payments will continue to be paid to the surviving Annuitant until the end of the guaranteed period, upon which lifetime payments will be made. If both Annuitants die prior to the end of the guaranteed period, the payments will continue to be paid to the Beneficiary until the end of the guaranteed period.

For Joint & Contingent Period Certain annuity payout options, upon death of the Primary Annuitant, guaranteed payments will continue to be paid to the Contingent Annuitant until the end of the guaranteed period, upon which lifetime payments will be made. If the Contingent Annuitant dies before the Primary Annuitant, the Primary Annuitant will receive lifetime payments. If both Annuitants die prior to the end of the guaranteed period, the payments will continue to be paid to the Beneficiary until the end of the guaranteed period.

The Beneficiary, if guaranteed payments made to the Beneficiary are applicable, may choose to continue the periodic guaranteed payments until the guaranteed period ends. The Beneficiary may also elect to receive a Commuted Value lump-sum payment instead of receiving periodic payments. A Commuted Value is the present value of any scheduled guaranteed payments, discounted at the current Commuted Value Rate. Note that the Commuted Value will be less than the sum of the periodic guaranteed payments due to discounting to present day.

Currently, the Commuted Value Rate is:

_____ %

Optional Riders

There are no optional riders available with this annuity.

Taxes

You pay no federal income taxes on your premium until money is distributed to you as an annuity payment, or to your Beneficiary as a guaranteed payment or Commuted Value upon death.

The state of New Jersey does not currently impose a premium tax on annuities.

If the Annuity Option purchased is not life contingent, an additional federal income tax of 10% may be charged on distributions prior to age 59-1/2. There may be exceptions to this penalty; for further information, you should consult a qualified tax professional.

Qualified and Non-Qualified Contracts

For non-qualified annuities, your taxable income will generally be the amount that your annuity payments exceed your premium, or investment in your contract. Distributions are taxed at ordinary income tax rates.

To determine what portion of the annuity payment is taxed and what portion is not, an exclusion ratio is determined for the contract. The exclusion ratio is expressed as a fraction or as a percentage and is arrived at by dividing the investment in the contract by the expected return. This exclusion ratio is applied to each annuity payment to find the portion of the payment that is excludable from gross income; the balance of the guaranteed annuity payment is includable in gross income for the year received. The exclusion ratio applies to payments received until the investment in the contract is fully recovered. Payments received after that point are fully includable in income.

For qualified and Traditional IRA annuities, annuity payments are subject to federal income taxation. There is no additional tax advantage to purchasing an annuity as part of a qualified plan, other than the tax advantage provided by the qualified plan itself.

Other Information

Changes to Your Contract

We may change your annuity contract from time to time to follow federal or state laws and regulations. You will be notified of any applicable changes in writing.

Compensation

We pay the agent, broker, or firm for selling the annuity to you. They may receive more compensation for selling this annuity contract than for selling other annuity contracts.



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)

Do you have any existing insurance policies or annuity contracts? Yes No

If you answered yes above, please complete PM0479 the “ Important Notice: Replacement of Life Insurance and Annuities” form.

I certify that the above response, to the best of my knowledge, is accurate.

Applicant’s Signature

Date (mm/dd/yyyy)

Producer’s Signature

Date (mm/dd/yyyy)



**Important Notice:
Replacement of Life Insurance and Annuities**

This document must be signed by the applicant and the producer, if there is one, and a copy left with the applicant.

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing life insurance policy or annuity contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new life insurance policy or annuity contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing life insurance policy or annuity contract, or an existing life insurance policy or annuity contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy or annuity contract involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing life insurance policy or annuity contract, to pay all or part of any premium or payment due on the new life insurance policy or annuity contract. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your life insurance policy or annuity contract. You may be able to make changes to your existing life insurance policy or annuity contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing life insurance policy or annuity contract and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing life insurance policy or annuity contract? Yes No
2. Are you considering using funds from your existing life insurance policy or annuity contract to pay premiums due on the new life insurance policy or annuity contract? Yes No

If you answered "yes" to either of the above questions, list each existing life insurance policy or annuity contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each life insurance policy or annuity contract will be replaced or used as a source of financing.

Insurer Name	Contract or Policy #	Insured or Annuitant	Replaced (R) or Financing (F)
1.			
2.			
3.			

Make sure you know the facts. Contact your existing company or its insurance producer for information about the old life insurance policy or annuity contract. If you request one, an in-force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer. Ask for and retain all sales material used by the insurance producer in the sales presentation. Be sure that you are making an informed decision.

You have the right to return the new life insurance policy or annuity contract within 30 days of the delivery of the life insurance policy or annuity contract and receive an unconditional full refund of all premiums or considerations paid on it including any policy fees or charges or, in the case of a variable or market value adjustment policy or contract, a payment of the cash surrender value provided under the life insurance policy or annuity contract plus the fees or other charges deducted from the gross premiums or considerations imposed under such life insurance policy or annuity contract.

The existing life insurance policy or annuity contract is being replaced because:

I certify that the responses herein are, to the best of my knowledge, accurate:

The insurance producer (check one) did did not read aloud this notice to the applicant.

Applicant's Signature

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

Applicant's Printed Name

Producer's Signature

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

Producer's Printed Name

I do not want this notice read aloud to me. _____ (Applicant must initial only if they do not want the notice read aloud.)

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing life insurance policy or annuity contract and the proposed life insurance policy or annuity contract. One way to do this is to ask the company or insurance producer that sold you your existing life insurance policy or annuity contract to provide you with information concerning your existing life insurance policy or annuity contract. This may include an illustration of how your existing life insurance policy or annuity contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your insurance producer to determine whether replacement or financing your purchase makes sense.

Premiums:

Are they affordable?

Could they change?

You are older - are premiums higher for the proposed new policy?

How long will you have to pay premiums on the new policy? On the old policy?

Policy Values:

New policies usually take longer to build cash values and to pay dividends.

Acquisition costs for the old policy may have been paid. You will incur costs for the new one.

What surrender charges do the policies have?

What expense and sales charges will you pay on the new policy?

Does the new policy provide more insurance coverage?

Insurability:

If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down.

You may need a medical exam for a new policy.

Claims on most new policies for up to the first two years can be denied based on inaccurate statements.

Suicide limitations may begin anew on the new coverage.

If you are keeping the old policy as well as the new policy:

How are premiums for both policies being paid?

How will the premiums on your existing policy be affected?

Will a loan be deducted from death benefits?

What values from the old policy are being used to pay the premium?

If you are surrendering an annuity or interest sensitive life product:

- Will you pay surrender charges on the old contract?
- What are the interest rate guarantees for the new contract?
- Have you compared the contract charges or other policy expenses?

Other issues to consider for all transactions:

- What are the tax consequences of buying the new policy?
- Is this a tax-free exchange? (See your tax advisor.)
- Is there a benefit from favorable “grandfathered” treatment of the old policy under the federal tax code?
- Will the existing insurer be willing to modify the old policy?
- How does the quality and financial stability of the new company compare with the existing company?

Instructions to the Producer: For all sales which involve a replacement, check all product sales material which was used in making the sale, and include this form along with the other required forms when submitting the application to the home office. **Do NOT use this form for NY replacements**, please use form PM0156(NY) for New York.

If using a form or sales material other than those listed below, please indicate it here _____

No sales material was used

PRODUCT	DESCRIPTION	FORM #
UNIVERSAL LIFE		
<i>Accumulation Builder II IUL</i>	<input type="checkbox"/> Consumer Brochure <input type="checkbox"/> Consumer Kit	PM1392 PM1392K
<i>Guaranteed Protection UL</i>	<input type="checkbox"/> Consumer Brochure <input type="checkbox"/> Consumer Kit	PM1287 PM1287K
VARIABLE UNIVERSAL LIFE		
<i>Diversified Growth VUL</i>	<input type="checkbox"/> Consumer Brochure <input type="checkbox"/> Consumer Kit <input type="checkbox"/> Prospectus Packet	PM1272 PM1272K DGVULPK
SURVIVORSHIP LIFE		
<i>Survivorship Plus IUL</i>	<input type="checkbox"/> Consumer Brochure <input type="checkbox"/> Consumer Kit	PM1267 PM1267K
<i>Survivorship Growth VUL</i>	<input type="checkbox"/> Consumer Brochure <input type="checkbox"/> Consumer Kit <input type="checkbox"/> Prospectus Packet	PM1309 PM1309K SGVULPK
WHOLE LIFE		
<i>Flexible Choice Whole Life</i>	<input type="checkbox"/> Consumer Brochure <input type="checkbox"/> Consumer Kit <input type="checkbox"/> Business Owner Brochure <input type="checkbox"/> Business Owner Kit	PM1243 PM1243K PM1493 PM1493KB
TERM INSURANCE		
<i>Guaranteed Term 10-15-20</i>	<input type="checkbox"/> Consumer Brochure <input type="checkbox"/> Consumer Kit	PM5583 PM5583K

List of Sales Material - Annuities

Instructions to the Producer: For all sales which involve a replacement, check all product sales material which was used in making the sale, and include this form along with the other required forms when submitting the application to the home office. **Do NOT use this form for NY replacements**, please use form PM0156(NY) for New York.

If using a form or sales material other than those listed below, please indicate it here _____

No sales material was used

PRODUCT	DESCRIPTION	FORM #
VARIABLE ANNUITIES		
<i>Inflation Protector VA</i>	<input type="checkbox"/> Consumer Brochure	PM1506
	<input type="checkbox"/> Consumer Kit	PM1506K
	<input type="checkbox"/> Prospectus Packet	IPVAPK
<i>Retirement Planner VA</i>	<input type="checkbox"/> Consumer Brochure	PM1059
	<input type="checkbox"/> Consumer Kit	PM1059K
	<input type="checkbox"/> Prospectus Packet	RTPLNRPK
<i>Smart Foundation VA</i> <i>Smart Foundation Flex VA</i> <i>Smart Foundation Plus VA</i>	<input type="checkbox"/> Consumer Brochure	PM5730
	<input type="checkbox"/> Consumer Kit	PM5730K
	<input type="checkbox"/> Prospectus Packet	PM5728
FIXED ANNUITIES		
<i>Flexible Premium Fixed</i> <i>Deferred Annuity</i>	<input type="checkbox"/> Consumer Brochure	PM1469
	<input type="checkbox"/> Consumer Kit	PM1469K
<i>Single Premium</i> <i>Immediate Annuity</i>	<input type="checkbox"/> Consumer Brochure	PM1389
	<input type="checkbox"/> Consumer Kit	PM1389K

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.

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) Date (mm/dd/yyyy)
(e.g., joint owner, co-trustee, irrevocable beneficiary or spouse, if Community Property State, etc)

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