

# ProOption

Multi-Year Guaranteed Annuity  
with Return of Premium Feature



## Clear Spring

Life and Annuity Company

a **GROUP1001** company



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# ProOption Multi-Year Guaranteed Annuity Product with a Return of Premium Guarantee

The ProOption Multi-Year Guaranteed Annuity from Clear Spring Life and Annuity Company ("Clear Spring Life") is a single premium deferred annuity that offers multiple guarantee periods to align with your specific needs. The interest rates at the time of premium payment are guaranteed for the entire guarantee period. The ProOption return of premium feature offers you your original premium value, less the sum of early withdrawals, should you decide to surrender your annuity at any time.

Whether you are retired now, retiring soon, or retiring years from now, ProOption Multi-Year Guaranteed Annuity is particularly well-suited for growing your retirement savings and will help secure your personal financial future.



## ProOption Multi-Year Guaranteed Annuity Details

### Accumulation Phase

The Accumulation Phase is the period when the annuity's interest grows on a tax-deferred basis. This is the period when Tax Deferral is most valuable; growing as time passes and compounding becomes a powerful ally.

### Payout Phase

The Payout Phase is the period during which money is regularly dispersed from the Annuity, usually in the form of monthly, quarterly, semi-annual, or annual payments

# ProOption Multi-Year Guaranteed Annuity Features

## Penalty-Free Withdrawals

ProOption Multi-Year Guaranteed Annuity provides a single penalty-free withdrawal each year beginning in the second year of the contract. The maximum free withdrawal amount will be 10% of your account value on the previous contract anniversary. A penalty-free withdrawal waives any surrender charges or market value adjustment on the withdrawn amount.

## May Avoid Probate

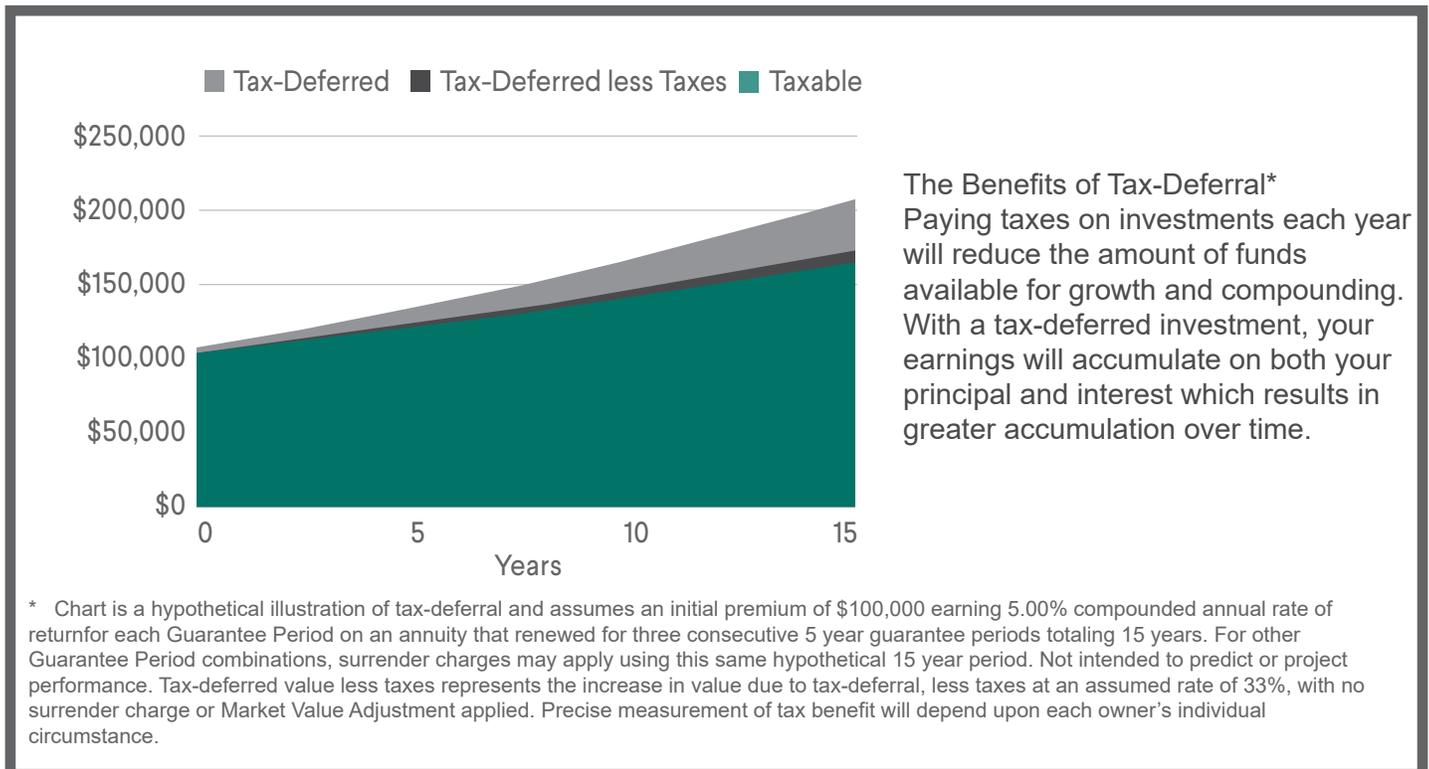
By naming a beneficiary (other than your estate), your deferred annuity will be paid directly to the beneficiary, therefore avoiding inclusion in a probated estate. This benefit may minimize the delays, expenses and publicity often associated with probate. Your designated beneficiary receives death proceeds in either a lump sum or a series of income payments.

## Lifetime Income

An important feature of annuity contracts is the ability to have an income that you cannot outlive. Clear Spring Life can provide you with a guaranteed income stream with the purchase of your tax-deferred annuity, through the ability to annuitize, which turns the deferred account into a scheduled stream of income payments. If this feature can meet your future income needs, you will have the ability to choose from several different annuity payout options.

## Benefits of Tax-Deferred Growth

Tax-deferred growth allows your money to grow faster because you earn interest on dollars that would otherwise be immediately taxable. Your premium earns interest, the interest compounds within the contract and the money you would have paid in taxes earns interest. Income taxes are deferred until funds are withdrawn from the contract.



## Nursing Home Care Rider

Should the need arise, ProOption will provide full liquidity to assist with nursing home care expenses subject to the rider provisions which are: contract purchased prior to age 76 and confinement to a nursing home for 90 continuous days. The Nursing Home Care Rider is not available in Massachusetts.<sup>1</sup>

## Terminal Illness Rider

If the owner of the contract is diagnosed with a critical illness (heart attack, stroke or life threatening cancer)

or is deemed terminally ill by a physician, ProOption will provide full liquidity to assist with the additional expenses that may arise. Eligibility is subject to rider provisions which are: Terminal illness; physician must certify that the owner's life expectancy is nine months or less; for one of the critical illness conditions to take effect, the contract must have been purchased prior to the owner's age 70.<sup>1</sup>

## Death Benefit

Prior to annuitization, if an owner dies, the named beneficiary(ies) will be paid a death benefit at the owner's death that is equal to the account value. The death benefit will receive interest at a rate required by the state in which the beneficiary resides between the time Clear Spring Life and Annuity Company receives proof of death and the death benefit is distributed. Alternatively, if the contract is continued by a surviving spouse who is named as the primary sole beneficiary of the contract, the account value will continue according to the terms of the contract.

## Surrender Charges

(All periods shown below may not be offered at all times.) Surrender Charges are applied at the time of withdrawal or surrender of the contract. They are not applied a) at the end of a guarantee period, b) to free withdrawals, c) to the death benefit for Death of the Owner, d) to any settlement option after the 5th contract year with the payments being made over at least 5 years, or e) in an amount that would violate the Return of Premium Guarantee.

Year	1	2	3	4	5	6	7	8	9	10
5-Year Guarantee Period Option	7%	6%	5%	4%	3%					
7-Year Guarantee Period Option	7%	6%	5%	4%	3%	2%	1%			
10-Year Guarantee Period Option	7%	6%	5%	4%	3%	2%	1%	1%	1%	.75%

(1) To meet the criteria for either the Nursing Home Care Rider or the Terminal Illness Rider, the contract must have been in force for a minimum of one year.

There is no charge or fee associated with either rider and availability may vary by state of issue. If any of these situations occur, a partial or full withdrawal will be available with no surrender charge or market value adjustment.

## Annuitization Options

Your contract may be annuitized or put into a payout status at any time, under any annuitization option we offer; some are described in your contract.

Your contract contains several annuitization options. Surrender charges and any applicable MVA may be applied when calculating your payout. You may choose whether the payout is based on the life or lives of the annuitant or joint annuitants, or for a certain period. Please Note: The Return of Premium Guarantee does not apply after annuitization. If a life contingent option is chosen, and the annuitant dies soon thereafter, the beneficiary may not receive the full amount of premium back. If this is a concern, Clear Spring Life and Annuity Company suggests adding a certain period to the annuitization option.

## Market Value Adjustment

Any amounts that are assessed a surrender charge will also be subject to a Market Value Adjustment ("MVA"), which may increase or decrease the account value. The MVA generally increases the contract withdrawal value when interest rates fall, and decreases the contract withdrawal value when interest rates rise. The MVA is not applied a) at the end of a guarantee period, b) to free withdrawals, c) to the death benefit at Death of the Owner, d) to any settlement option after the 5th contract year with the payments being made over at least 5 years, or e) in an amount that would violate the Return of Premium Guarantee. The MVA is not applicable in Delaware.

## Benefits of the ProOption Multi-Year Guaranteed Annuity



### Return of Premium Guarantee

This guarantee provides that the total amount you receive in withdrawals, surrenders, or death benefits will never be less than the amount of premium paid. This applies during the deferral period of the contract.

For the purpose of the Return of Premium Guarantee, withdrawals of any kind, including interest withdrawals, are considered return of your premium and will reduce the remaining amount of premium in your contract. Surrender Charges and the Market Value Adjustment cannot reduce the Surrender Value below this guaranteed amount. There is no additional charge for this benefit. [Please Note: IRS regulations require us to report distributions as earnings to the extent they exceed the cost basis. This differs from our calculation of the Return of Premium Guarantee.]

### Renewal Feature

At the end of each guarantee period, you will have the option to elect to renew your annuity for another guaranteed interest rate period. Depending on your circumstances and financial goals at that time, this convenient option assures you of a current, competitive interest rate and an easy transition to a new guarantee period. Renewal rates for subsequent guarantee periods will be based on current, competitive interest rates and financial circumstances, and may differ from the initial guaranteed interest rate. The renewal feature is not available in Delaware.

At Clear Spring Life, we are dedicated to serving our customers and helping them reach their financial goals.



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## IMPORTANT INFORMATION

**This material is for informational or educational purposes only, and is not a recommendation to buy, sell, hold or rollover any asset. It does not take into account the specific financial circumstances, investment objectives, risk tolerance, or needs of any specific person. You should work with your agent to discuss your specific situation. In providing this information, Clear Spring Life and Annuity Company (d/b/a Clear Spring Life and Annuity Insurance Company in California) ("Clear Spring Life") is not acting as your fiduciary as defined by the Department of Labor.**

Clear Spring Life and Annuity Company, whose office is located at 10555 Group 1001 Way, Zionsville Indiana, issues the ProOption Multi-Year Guaranteed Annuity on form number GLA-MYGA-01 (2011) or a variation of such. The ProOption Multi-Year Guaranteed Annuity and/or certain features may not be available in all states. Clear Spring Life is not licensed in New York. Annuity contracts contain limitations. Please consult the contract for more details regarding these limitations such as, if applicable, varying surrender periods, surrender charges associated with early withdrawals and market value adjustments. Annuity contracts involve investment risk including possible loss of value. This material is provided for clarification of benefits which may be included in the contract when it is issued. It is for informational purposes only. In the event of any ambiguity or conflict of terms between this material and the annuity contract, the terms of the annuity contract shall be controlling. Neither Clear Spring Life nor its representatives provide legal or tax advice. For legal and tax advice concerning your specific situation, please consult an attorney or tax professional. Guarantees are based on the claims-paying ability of Clear Spring Life.

This is a solicitation for insurance.