

# Power Index 7<sup>SM</sup> Annuity

A Single-Premium, Index-Linked Deferred Fixed Annuity

Contracts issued and guaranteed by:  
**The United States Life Insurance Company in the City of New York (US Life)**

## Product Overview

In New York, the Power Series of Index Annuities<sup>SM</sup> is issued and underwritten by The United States Life Insurance Company in the City of New York. For more than 150 years, US Life has been dedicated to helping clients live with the peace of mind that comes from having their assets, as well as their families, well protected.

### US Life Guarantees<sup>1</sup>

Annual Reset Interest Crediting	<p>Interest is linked to a portion of the return on the S&amp;P 500<sup>®</sup> index, without dividends.<sup>2</sup> On each contract anniversary, we will compare the current index value to the index value on the previous anniversary. If the index has increased over the previous contract anniversary, the value of the index credit is equal to 100% of the gain, up to the amount of the interest rate cap. The amount of the index credit is then compared to the fixed interest rate declared at the time your contract is issued. The company will credit your contract with interest equal to the higher of these two values: either (i) the percentage change in the index number subject to the applicable interest rate cap, or (ii) the fixed interest rate as described above. Even if the index has declined from the previous contract anniversary, your annuity will not lose value and will always earn at least the fixed interest rate specified in your contract every year.</p> <p><sup>1</sup> All guarantees are subject to the claims-paying ability of The United States Life Insurance Company in the City of New York.</p> <p><sup>2</sup> S&amp;P 500<sup>®</sup> and S&amp;P<sup>®</sup> are registered trademarks of Standard &amp; Poor's Financial Services LLC. The trademarks have been licensed to S&amp;P Dow Jones Indices LLC and have been sublicensed for use for certain purposes by The United States Life Insurance Company in the City of New York. The Power Index 7 Annuity is not sponsored, endorsed, sold, or promoted by Standard &amp; Poor's Financial Services LLC, S&amp;P Dow Jones Indices LLC, or their affiliates and none of Standard &amp; Poor's Financial Services LLC, S&amp;P Dow Jones Indices LLC, or their affiliates makes any representation regarding the advisability of paying premiums for the Power Index 7 Annuity.</p>
Interest Rate Cap	<p>The interest rate cap places a maximum limit on the amount of index growth credited to the contract each year regardless of the performance of the index. The interest rate cap is guaranteed for the first year in the term and is then declared annually. The cap is guaranteed to never be set lower than the minimum cap rates set forth in the contract. See your licensed representative for the current interest rate cap.</p>
Free Look Guarantee	<p>US Life allows a 20-day free-look period.</p>
Minimum Guaranteed Value	<p>US Life guarantees that the minimum guaranteed withdrawal value will never be less than 100% of your single premium (payment) accumulated at the fixed interest rate (set on the day your contract is issued), less any prior withdrawals and any related early withdrawal charge fees.</p>
Optional Return-of-Premium Guarantee Rider	<p>You may elect the optional return-of-premium guarantee rider. This provides that the annuity may be returned at any time for an amount equal to the single premium paid, less any prior withdrawals, or the annuity value less any early withdrawal charges, whichever value is greater. The annuity value will never be less than the Minimum Guaranteed Value described above. Adding this feature may result in a slightly lower interest rate cap than a contract without the feature would receive.</p>

Not FDIC-insured | May lose value | Not a deposit | No bank guarantee | Not insured by any federal government agency

## US Life Guarantees<sup>1</sup>

Tax-Qualified Distributions	US Life will make all necessary calculations to ensure all IRS required minimum distributions (RMD) are made, unless the contract owner requests otherwise. Prior to any RMD, the company will notify the owner of distribution options.
Statements	Each owner receives a welcome letter and an annual statement.

## Amounts

\$10,000	Minimum single premium for nonqualified and tax-qualified annuities
\$2,000	Minimum value to maintain contract
\$1,000	Minimum random withdrawal amount
\$1,500,000	Maximum single premium amount without prior company approval <sup>3</sup>

<sup>3</sup> By company practice, which is subject to change.

## Ages

Issue Ages	0-75 (nonqualified annuities and tax-qualified annuity transfers or rollovers). 0-70 (tax-qualified contributions).
Distribution Ages	Distribution of annuity income generally begins at 85.  For tax-qualified annuities, generally an IRS required minimum distribution must begin by April 1 of the year after the annuitant reaches age 70½. This may be accomplished by taking partial withdrawals.

## Ownership

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

Random Withdrawal	After the first contract year, one free withdrawal of up to 10% of the annuity value as of the previous anniversary is available annually. If the withdrawal occurs on a date other than a contract anniversary, then amounts withdrawn will not be credited with interest resulting from the percentage change in the index (subject to the cap). Instead, any amounts withdrawn will be credited with daily interest equal to the fixed interest rate from the date of the last contract anniversary to the date of withdrawal. The minimum random withdrawal amount is \$1,000. (At least \$2,000 must remain in the contract after withdrawal.)
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## Taxes, Tax Advantages & Tax-Free Transfers

Tax Deferral	Federal income taxes are deferred until the year interest is withdrawn. (There is no tax deferral if the owner is a corporation.)
Tax-Advantaged Income	Once the contract is annuitized, part of each annuity income payment is considered a tax-free return of principal (except tax-qualified annuities, such as traditional IRAs, where the principal may also be taxable).
Tax on Withdrawals	Withdrawals are subject to taxation as ordinary income. In addition, withdrawals of interest (or any amount from tax-qualified accounts, such as traditional IRAs, where the principal may also be taxable) prior to age 59½ may be subject to a 10% federal early withdrawal penalty. The penalty may be waived for death, total disability (as defined by IRS code), or if the payment is made as part of a series of substantially equal payments for life.
Tax-Free Exchange	May be used for exchanges from a life insurance or endowment contract or other annuity. To maintain tax-deferred status, the owner and annuitant must remain the same.
Tax-Qualified Plans	Transfer or directly roll over funds from IRAs, SEPs, Keoghs or 401(k)s.

## Charges & Fees

Initial Sales Charge	None.																		
Annual Fee	None.																		
Withdrawal Charge Schedule	<p>Withdrawals exceeding the permitted free amounts are subject to an early withdrawal charge fee.</p> <table border="1"> <thead> <tr> <th>Years from Contract Date</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>Thereafter</th> </tr> </thead> <tbody> <tr> <td>Early Withdrawal Charge</td> <td>9%</td> <td>8%</td> <td>7%</td> <td>6%</td> <td>5%</td> <td>4%</td> <td>3%</td> <td>0%</td> </tr> </tbody> </table> <p>(Percentage of amount withdrawn that exceeds permitted free withdrawals.)</p> <p>Unless you elect the premium guarantee provision, if you terminate the annuity during the seven-year period, it is possible you may receive less than your premium.</p>	Years from Contract Date	1	2	3	4	5	6	7	Thereafter	Early Withdrawal Charge	9%	8%	7%	6%	5%	4%	3%	0%
Years from Contract Date	1	2	3	4	5	6	7	Thereafter											
Early Withdrawal Charge	9%	8%	7%	6%	5%	4%	3%	0%											

## Death Benefits

	The higher of either the annuity value or the minimum guaranteed value will be paid to the beneficiary upon the death of the owner before an income plan begins. Any interest credited upon death will include interest linked to the Index only up to the date of death or the fixed interest rate, if higher. After the date of death, a declared rate of interest will be credited daily to the death benefit until the death benefit is paid.
Spousal Beneficiaries	Spouse of a deceased owner may elect to receive a distribution or become the new "owner," if the spouse is the sole primary beneficiary.
Non-Spousal Beneficiaries	Upon the death of any owner, the beneficiary may receive either annuity income beginning within one year or a total distribution within five years of death.

## Early Withdrawal Charge Waivers

Extended Care	After the second contract year, early withdrawal charge fees will be waived if the owner is confined to a qualifying institution or extended care facility for 90 consecutive days or longer.
Terminal Illness	Early withdrawal charge fees will be waived on one full or partial withdrawal upon the diagnosis of a terminal illness that will result in the death of an owner within one year. Written documentation from a qualified physician is required.
Activities of Daily Living	After the first contract year, early withdrawal charge fees will be waived if the owner cannot perform two or more of the six defined activities of daily living (bathing, continence, dressing, eating, toileting and transferring) for at least 90 consecutive days. Written certification by a licensed healthcare practitioner is required.

## Benefit from the Strength and Experience of US Life

The United States Life Insurance Company in the City of New York (US Life), the issuer of Power Index 7 in the state of New York, is a member of American International Group, Inc. (AIG), one of the world's largest insurance organizations based on market capitalization. AIG's life and retirement companies are among the leading issuers of annuities and term life insurance in the United States with over 18 million customers and nearly \$318 billion of assets under management.\*

In addition, US Life has received strong financial strength ratings from independent ratings agencies, reflecting its financial stability and ability to meet its obligations to policy holders. For details on specific insurer ratings, please visit [www.uslife.com/ratings](http://www.uslife.com/ratings).

\* Data as of December 31, 2013.

Index annuities are long-term tax-deferred retirement products of the life insurance industry. The Power Index 7 Annuity is not a security and does not participate in any stock or equity investment.

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

Neither The United States Life Insurance Company in the City of New York nor its agents or representatives are authorized to give legal, tax or accounting advice. Please refer to the contract for the actual governing contractual provisions. Please consult your attorney, accountant or tax advisor on specific points of interest.

### Smart choice

Let us help you put the power of fixed annuities to work for you

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### VISIT

your licensed representative

Agents, contact us at 1-888-237-4210



## US Life

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The underwriting risks, and financial and contractual obligations associated with products issued by The United States Life Insurance Company in the City of New York, are its responsibility.

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