

Royal Neighbors of America
PRODUCT PROFILE

Neighbors Choice SPDA

Why a Single Premium Deferred Annuity?

- Annuity is purchased by making a lump-sum payment
- Lump-sum payment accumulates with interest until the maturity date (the date payout begins)
- An SPDA can be issued as a qualified or non-qualified annuity; a qualified SPDA is one that has been issued under the IRS code granting special tax treatment (a traditional IRA, a Roth IRA or an IRA that was the result of a transfer from an employer's pension plan)

Neighbors Choice – SPDA (5 year) – Form Series 200622A

Ownership – The annuitant is the owner unless otherwise specified in the application or assigned after issue

Issue Ages

- 16-85 non-qualified
- 16-85 IRA; above 70½, premium can only be rollover/transfer money
- 16-85 Roth IRA; above 70½, premium can only be rollover/transfer money
- Age based on last birthday

Risk Classes

- Male/female distinction (for settlement options and reserving requirements, proof of age and gender is required at issue)
- No substandard and no tobacco/non-tobacco distinction
- No preferred distinction

Riders

- None available

Free Look Period

- 20 days (longer if required by state)

Premium

- \$10,000 minimum
- \$300,000 maximum (without prior Home Office approval)



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Service Fee

- None

Guaranteed Interest Rates

- The initial interest rate is the minimum guaranteed rate for 5 years. Thereafter, the guaranteed rate is 3%

Current (non-guaranteed) Interest Rates

- Interest in excess of the guaranteed interest rate, if any, will be credited to the certificate

Monthly Interest Available

- If the accumulation value of the certificate is at least \$20,000, you may elect to automatically receive your interest earnings every month

Maturity Date

- The certificate anniversary after the annuitant's 70th birthday or the 10th certificate anniversary, whichever is later
- An optional maturity date can be requested by the owner if requested at least one month prior to the maturity date; it cannot exceed the certificate anniversary after the annuitant's age 115; applicable surrender charges will be applied based on the terms of the certificate

Partial Withdrawals

- A partial withdrawal of at least \$500 can be requested at any time prior to the maturity date of the certificate as long as the accumulation value does not fall below \$10,000

Force Out Amount

- The cash surrender value will be returned to the owner if the accumulation value falls below the minimum initial premium for the certificate

Withdrawal Charges

- Withdrawal charge applies to a full or partial surrender (withdrawal) of premiums paid
- Withdrawal charge is equal to the single premium amount, less any prior withdrawals of premium, multiplied by the withdrawal charge percentage that corresponds to the certificate year of the withdrawal

CERTIFICATE YEAR	1	2	3	4	5	6+
WITHDRAWAL CHARGE %	8.5	7.5	7	6	4	0

- Withdrawals may be subject to federal income tax and to IRS penalties; see a qualified tax advisor for additional details

Exceptions to Surrender (withdrawal) Charge

- Withdrawals up to the amount of accumulated interest
- Death benefit proceeds paid at death of the annuitant
- Death benefit proceeds paid at the death of the owner if (1) annuitant and owner are different, (2) the owner dies first, and (3) the owner was age 75 or younger on the issue date

Death Benefit Proceeds

- At the death of the owner, the beneficiary will be paid the death benefit proceeds
- At the death of the annuitant, the owner receives the death benefit proceeds, unless an annuitant's beneficiary has been named

Loans

- None

Dividends

- Product is participating but dividends are not expected to be paid; interest earned in excess of the guaranteed interest rate, if any, will be credited to the accumulation value

Termination

- The certificate will terminate the earliest of the following dates:
 - Funds are zero (or less)
 - The funds are surrendered
 - The funds are transferred (within Royal Neighbors of America or outside Royal Neighbors of America)
 - The funds are applied to a settlement option or a SPIA
 - The owner or annuitant dies (unless owner's spouse is sole beneficiary and selects to continue as successor owner at owner's death).

Annual Reports

- An Annual Statement of Account will be furnished to the owner of the certificate each year the certificate is in force
- The owner of the certificate can request a Statement of Current Values at any time within a certificate year; Royal Neighbors of America may charge up to \$25 per statement after the first

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