

Neighbors Choice

Royal Neighbors of America has prepared this summary to help you understand the features and benefits of the Neighbors Choice 5-year annuity (Series #200622A).

TAX ADVANTAGES

Although an annuity does not eliminate your tax liability on interest earnings, under current tax law all interest earned accumulates on a tax-deferred basis. Tax deferred growth is currently available only to individual owners and certain trusts.

NO SALES CHARGES OR ANNUAL FEES

100% of your money earns interest for you.

INTEREST CREDITING

Interest is credited and compounded on a daily basis. The rate shown below is the current annual effective yield as of ___/___/___.

_____ %

The actual rate credited will be the rate in effect at the time of issue.

The initial interest rate is guaranteed for five (5) years. Thereafter the interest rate credited may increase or decrease, but is guaranteed to never be less than 3%.

ISSUE AGES

Annuitant0 through 85
 Owner16 through unlimited

MINIMUM SINGLE PREMIUM\$10,000

MAXIMUM SINGLE PREMIUM\$300,000
 (without prior written approval)

SCHEDULED & UNSCHEDULED WITHDRAWALS

You may request a partial withdrawal of at least \$500 at any time prior to the maturity date as long as your Accumulation Value does not fall below \$10,000.

MONTHLY INTEREST AVAILABLE

If the Accumulation Value of your **Neighbors Choice** annuity is at least \$20,000, you may elect to receive your monthly interest earnings as a check or a direct deposit to your bank account.

WITHDRAWAL CHARGES

The Withdrawal Charge will apply to a full or partial surrender (withdrawal) of the premiums paid. The Withdrawal Charge is equal to the single premium amount, less any prior withdrawals of premium, multiplied by the Withdrawal Charge Percentage (%) which corresponds to the year of the withdrawal.

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

WITHDRAWAL CHARGES DO NOT APPLY TO:

- 1) Withdrawals up to the amount of accumulated interest (gain in the certificate)
- 2) Death Benefit Proceeds paid at the death of the Annuitant, or at the death of the Owner who is not the Annuitant if the Owner was age 75 or younger on the date of issue

DEATH BENEFIT PROCEEDS

If the Owner or Annuitant dies prior to the certificate maturing, death benefit proceeds will be paid.

Proceeds paid on the death of the Annuitant will equal the Accumulation Value. Proceeds paid on the death of the Owner who is not the Annuitant will equal the Cash Surrender Value. However, withdrawal charges will be waived if the Owner was age 75 or younger on the date of issue.

BENEFICIARY

At death of the Owner, the Beneficiary will be paid the death benefit proceeds. At death of the Annuitant, the Owner receives the death benefit proceeds, unless an Annuitant's Beneficiary has been named.

RIGHT TO EXAMINE YOUR ANNUITY

Your annuity certificate allows at least 20 days during which you may return the annuity and we will return 100% of your premium.

TAXATION OF WITHDRAWALS

Withdrawals may be subject to income tax. If withdrawals are made before the Owner's age 59 1/2, the taxable portion may be subject to an additional 10% IRS penalty.

NOTES

- The **Neighbors Choice** annuity is not available in all states.
- All rates described in this summary are effective annual interest rates.
- This document is not a legal contract. For the exact terms and conditions, please refer to the annuity certificate.
- Annuities are products of the insurance industry and are not guaranteed by any bank or insured by the FDIC.
- Tax laws are subject to varying interpretation and possible changes. Please consult your tax advisor for further information.



“EXCELLENT”
by A.M. Best

Royal Neighbors of America

- Assets of more than \$683 million and statutory-basis surplus of more than \$244 million clearly demonstrate the Society’s financial strength
- As of December 31, 2007, the Society’s solvency ratio of 1.56 compared favorably with the insurance benchmark of 1.09 and its surplus ratio of 35.8% exceeded the standard of 8.6% by a wide margin
- Since its inception, Royal Neighbors has paid or provided nearly \$1.5 billion of insurance and financial benefits and has never once failed to meet its contractual obligations to its members and their beneficiaries
- A.M. Best, an independent rating agency, has affirmed Royal Neighbors’ A- Excellent rating (4th highest out of 15 possible)

Our History

- Founded in 1895 as a fraternal benefit insurance society for women
- \$28 million has been donated to support individuals in need
- We have provided nearly \$3 million in scholarships to our members since 1962
- Our members have volunteered nearly 20 million hours in the past 40 years

Royal Neighbors of America

Insurance and Annuity Products for Each Stage of Your Life

- Single Premium Whole Life
- Permanent Life Insurance
- Term Life Insurance
- Single Premium Deferred Annuities
- Single Premium Immediate Annuities

At a Glance

Financial Strength

ASSETS:
\$683.2 million

SURPLUS:
\$244.4 million

SURPLUS RATIO:
35.8%

SOLVENCY RATIO:
1.56

A.M. BEST RATING:
A- Excellent
(4th highest out of
15 possible)

(as of December 31, 2007)

Member Benefits



Supporting Dreams

Scholarships both for young adults and mid-career transition



Rebuilding Lives

Fraternal Aid for life’s unexpected misfortunes



Hope in Crisis

Disaster Aid when a catastrophe hits



Reflecting Today’s World

The Royal Neighbor magazine to keep members connected



Valuable Discounts

Dental and Vision Care, Hearing Aids and Services, Prescription Drugs, Diagnostic Tests, Health Screenings, Health Rewards Card, Health Care Patient Financing, Popular Magazine Subscriptions



INSURING LIVES • SUPPORTING WOMEN • SERVING COMMUNITIES™

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