

Questions? Call our National Service Center at 1-800-888-2461.

Availability

The Internal Revenue Code defines when loans are allowed. Please consult with your financial representative.

Amount Available to Borrow

The minimum loan amount is \$1,000. Generally the maximum available is equal to the lesser of: (1) \$50,000 reduced by the excess of: (a) the highest outstanding loan balance within the preceding 12-month period ending on the day before the date the loan is made, or (b) the outstanding loan balance on the date the loan is made; or (2) 50% of your account value or \$10,000, whichever is greater. However, you may not borrow an amount which exceeds 80% of your Contract Value.

Interest Rates

Interest will be charged for the loan and will accrue from the effective date of any loan. The interest rate will be as declared from time to time by Security Benefit. Please see your current Prospectus for details.

Repayment Period

Generally, loans must be repaid in five years. However, if the borrowed amount is utilized to purchase a principal residence, it must be repaid within 30 years. All loans must be repaid prior to the annuity start date.

Please note that Security Benefit recommends that you document and be prepared to demonstrate to the IRS that your principal residence loan was, in fact, used to acquire a principal residence.

Repayment Frequency

Security Benefit allows the borrower to select a monthly or quarterly repayment period.

Method of Repayment

For convenience purposes, we have established an Electronic Fund Transfer (EFT) bank draft program you can utilize for repayment.

Each loan payment will be directed according to the future allocations authorized for all contributions.

Missed Payments (Grace/Default)

If any amount due is outstanding at the end of a calendar quarter, the loan will enter the grace period. If this amount remains outstanding at the end of the second consecutive calendar quarter, the loan defaults.

At the time of default, the entire outstanding balance, with any accrued interest will be reported to the IRS on form 1099-R at the end of the year. Once a loan has gone into default, regularly scheduled payments will not be accepted and new loans will not be allowed. In addition, interest will continue to accrue on a defaulted loan. At any time, the entire amount of the principal, plus accrued interest may be paid in full. The account may terminate if the outstanding loan balance equals or exceeds the account balance.

Time Requirements

There is no waiting period required on a new account prior to requesting a loan. A loan can be requested once the minimum account balance is attained.

Information

To apply for a loan, submit a completed loan application and agreement to Security Benefit.

To receive additional information, you may contact your representative, call the National Service Center at 800.888.2461 or visit our website at www.SecurityBenefit.com. Loan information is also available in your prospectus.



Annuity Loan Application, Agreement and Promissory Note

Instructions

Use this form to establish a loan on your account. Please complete the entire form. This transaction will be processed as of the valuation date Security Benefit receives the request in proper form.

A copy of a blank voided check is required in order for funds to be distributed electronically. See Section 4.

Due to strict IRS regulations governing loans on your retirement account we recommend that you evaluate your situation carefully and/or consult with your tax advisor prior to entering into this loan agreement. Please type or print.

Note

If you are paying off an existing loan to issue another loan, the 2nd loan will not be issued for 10 business days following payoff of the 1st loan.

1. General Account Information

Contract Number _____

Name of Owner _____
First MI Last

Mailing Address _____
Street Address City State Zip Code

Social Security Number/Tax ID Number _____

Daytime Phone Number _____ **Home Phone Number** _____

2. Establish Loan Amount

Indicate the amount you wish to borrow. Please note that the funds will be withdrawn proportionately as they are currently invested.

- Specific Dollar Amount \$ _____ or the maximum available, if less (minimum \$1,000)
- Maximum Amount

3. How do you want to receive your loan proceeds?

Please select how you want to receive this amount.

- Electronic Funds Transfer (EFT) to my bank account – proceeds will arrive within 3 business days after the withdrawal.
- Wire Transfer to my bank account – a \$20.00 wire processing fee will be assessed.
- Send check to address of record as indicated in Section 1.

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4. Distribution Bank Information

Only complete this section if you selected EFT or Wire above. Please provide your bank information below. If any information is missing your request may be delayed.

A copy of a blank voided check is required in order for funds to be distributed electronically. Attach copy of a voided check below. If a copy of a voided check is not received, the distribution will be mailed via check to your address of record.

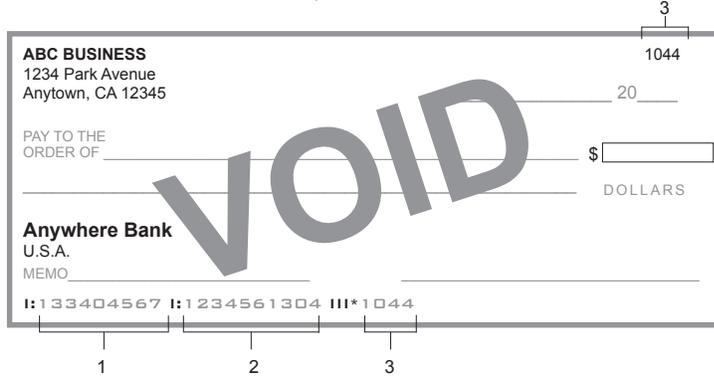
Funds may be distributed to a checking account only.

Bank Name _____

Name on Bank Account _____

Bank Routing Number _____

Bank Account Number (Do not include check number) _____



1. Routing Number (requires 9 digits)
2. Bank Account Number (not to exceed 17 digits)
3. Check Number

5. Identify the Purpose of the Loan

- A. Will the loan proceeds be used to purchase a "principal residence" as defined under the Internal Revenue Code?
- No – If No, the loan must be repaid within 5 years.
 - Yes – If Yes, the loan must be repaid within 30 years.
- (Borrower should keep proof that the loan was used to acquire the principal residence.)
- B. Determine the Repayment Period:
Number of Years for repayment _____

6. Select the Repayment Method

The borrower agrees to pay the total amount of the loan and interest by making equal periodic payments on the same day each period. The first payment must be made no later than one frequency following the loan issue date.

- A. Frequency if payroll deduction: Monthly Quarterly
Frequency if bank draft: Monthly Quarterly
- B. Amount: \$ _____
(must be equal to or greater than the minimum payment)
- C. Beginning on: _____
(mm/dd/yyyy - must be between the 1st and 28th of the month)

7. Repayment Bank Information

Complete this section to have payments drafted from your bank account.

- Use the bank information previously provided on this form.
- Use the following bank information for the repayment. Please provide your bank information below. If any information is missing your request may be delayed. You may also attach a void check to ensure necessary information is provided.
Bank Account Type (please check one): Checking Savings
Bank Name _____
Name on Bank Account _____
Bank Routing Number _____
Bank Account Number (Do not include check number) _____

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8. Provide Signatures and Certification

I understand, acknowledge and certify that:

- Security Benefit, or its subsidiaries, will initiate electronic transactions to/from my bank account as indicated on this form. Security Benefit may make additional attempts to deposit/withdraw if the initial attempt fails. I will be liable for any costs associated with these additional attempts.
- If any amount is outstanding at the end of a calendar quarter, the loan will enter the grace period. If this amount remains outstanding at the end of the second consecutive calendar quarter, the loan defaults.
- Upon default, the entire outstanding balance, with any accrued interest will be reported to the IRS on form 1099-R at the end of the year in which the loan defaults.
- Once a loan has gone into default, regularly scheduled payments will not be accepted and no new loans will be allowed. In addition, interest will continue to accrue on a defaulted loan. At any time, the entire amount of the principal, plus accrued interest may be paid in full.
- The account is pledged as security for the loan and may terminate if the outstanding loan balance equals or exceeds the account balance.
- Loans are subject to approval and are made pursuant to the loan provision contained in the Contract.
- Security Benefit assumes no responsibility for current or future tax consequences resulting from this transaction.
- I agree to the terms and conditions of the loan as set forth above.
- I am of lawful age and I have not had any previous proceedings in bankruptcy, nor do I have any pending. If I file a bankruptcy case after receiving the requested loan amount, I understand that EFT or payroll deduction loan payments will be canceled and I must make loan payments by check only.
- No portion of my benefits are subject to a Domestic Relations Order.
- All terms of this agreement are binding to my heirs, representatives and assigns. I agree that any sum of money paid to the bank after my death shall be refunded to Security Benefit and I hereby authorize the bank to make such refund from the account indicated.
- The information provided within this form is accurate and true, including my tax identification number.

X _____ Date (mm/dd/yyyy)
 Signature of Borrower (Employee)

X _____ Date (mm/dd/yyyy)
 Signature of Registered Representative (optional)

9. Provide Employer/TPA Authorization

This section must be completed by your employer or Third Party Administrator before your request is processed. Please consult your financial advisor or employer.

If a separate Third Party Administrator authorization is required and accompanies this request, that authorization will serve as completion of this section. If no such separate authorization is applicable this section must be completed before your request is processed. Check the following box if applicable.

Third Party Administrator authorization attached.

My signature below provides approval for the requested withdrawal transaction.

X _____ Date (mm/dd/yyyy) Title _____
 Signature of (Select One)

Employer Third Party Administrator

OR

A copy of the current Information Sharing Agreement is attached.

Mail to:	For expedited or overnight delivery:
Security Benefit	Security Benefit
P.O. Box 750497	Mail Zone 497
Topeka, Kansas 66675-0497	One Security Benefit Place
Fax to: 785.368.1772	Topeka, Kansas 66636-0001

Visit us online at SecurityBenefit.com

