

Disclosure and Acknowledgement Form Individual Retirement Annuity

Date: _____

Applicant Name: _____

Agent Name: _____

Product Recommended: _____

The following is important information you should know before using funds from a qualified retirement plan or individual retirement account or annuity ("IRA") to purchase, or make payment to, an annuity contract issued by Clear Spring Life and Annuity Company ("Company"). This information is provided pursuant to applicable law, and in particular, ERISA Prohibited Transaction Exemption 84-24. Meeting the conditions of that exemption alone does not create or imply an ERISA fiduciary relationship. Capitalized terms not defined in this disclosure form have the respective meanings set forth in the annuity contract. Please refer to the Product Summary provided to you along with this disclosure form to review key terms used in the annuity contract.

Your agent, a licensed insurance producer, has a contract with the Company that authorizes your agent to recommend certain annuity contracts that are issued by the Company. Your agent may be able to offer only a limited number of annuity contracts offered by the Company. Not all agents are authorized to recommend all annuities that the Company offers. Your agent may also have contracts with other insurance companies that authorize your agent to sell those companies' products. Your agent may be able to recommend only a limited number of other products offered by a limited number of issuing insurance companies. If you have any questions about the range of products or the names of the insurance companies your agent is authorized to recommend, your agent can provide more information.

This disclosure form contains:

- (1) Information about certain charges and fees that you may incur in connection with the annuity contract;
- (2) Information about the commissions your agent and any supervising agency or marketing organization will receive as compensation for the purchase of, or payment to, the annuity contract; and
- (3) Other important information, including certain potential conflicts of interest related to the sale of the annuity contract to you.

Charges

The annuity contract you are purchasing includes certain charges imposed by the Company as the issuer of the contract. These may include surrender and withdrawal charges, bonus recapture provisions, market value adjustments or fees for optional contract features available through a rider to the annuity contract. The specific charges, fees and provisions applicable to your annuity contract are described in detail in the Disclosure Statement that has been provided to and signed by you in connection with your annuity application. It is important that you understand the fees and charges that may be imposed under the annuity contract you are purchasing, so if you have any questions, please ask your agent for additional explanation.



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Commissions

If you purchase an annuity contract issued by the Company, your agent may receive commissions in an amount equal to the percentage calculation disclosed below. Any supervising agency may also receive commissions and may allocate all or a portion of such commissions to your agent. The percentage numbers shown below includes all commissions allocated to your agent by the supervising agency.

These commissions do not reduce the amount of your purchase payments allocated to your annuity contract. One hundred percent (100%) of your purchase payments will be credited to your annuity contract.

Any supervising agency, other third party or distribution affiliate that is involved in the marketing, training, administration, wholesaling, supervision or issuance of the annuity contract may also receive compensation for these activities. Notwithstanding any such compensation to such other parties, the total commission rate paid to your agent will not exceed the percentage rate set forth below:

Product Selected: _____

Your Agent's Commission Percentage: _____

Your agent may choose to receive the above commissions in a lump sum at the time of contract issue and/or also spread the commissions out over the time that the annuity contract is in force. Additional purchase payments received by the Company after the first contract year will result in additional commissions paid but will not exceed the percentage amounts set forth above. In addition, if your annuity contract permits renewals, a renewal will cause additional commissions to be paid, in an amount not to exceed the percentage calculations set forth above.

Other Important Information about Conflicts of Interest

Your agent, the supervising agency, and the Company may be affected by potential conflicts of interest in connection with the purchase of, any additional payments to or distributions from the annuity contract.

Your agent, the supervising agency, and the Company will only receive compensation when you purchase, make permitted subsequent payments to or renew the annuity contract. Therefore, they have a conflict of interest and will receive no compensation if you (i) do not purchase or make payments to the annuity contract, or (ii) decide to retain your current qualified retirement plan or IRA assets and not execute a rollover or transfer into the annuity contract.

Your agent, the supervising agency and the Company may receive more or less compensation depending on the type of annuity contract that you purchase. In addition, your agent's compensation, and that of any supervising agency, for an annuity purchase will vary based on:

- (1) The product type;
- (2) The length of the applicable term of the annuity contract; and
- (3) The annuitant's age when the annuity contract is issued.

d/b/a Clear Spring Life and Annuity Insurance Company in California

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During the life of the annuity contract, your agent may discuss your distribution options, including, as applicable, withdrawal and surrender provisions, required minimum distributions, and periodic distribution options. Your agent receives no compensation for these services other than the commissions disclosed above. However, your agent and any supervising agency may receive new or different compensation if you purchase a new annuity contract using the proceeds from a withdrawal or surrender. Also, your agent and any supervising agency may no longer receive certain compensation, or may receive less compensation, with respect to the annuity contract if you take any withdrawals from or surrender the annuity contract.

The Company receives other revenue in connection with the annuity contract. In general, earnings received by the Company may be affected, positively or negatively, by a customer's decision to take a withdrawal or surrender the annuity contract. Earnings received by the Company are also affected by external factors and contract features including but not limited to investment returns and market interest rates, mortality rate changes, policy guarantees, and surrender charges.

This form is not a contract and does not create any enforceable obligations between you and your agent, the supervising agency, the Company or any other party.

Your agent, the supervising agency, the Company and their respective agents and staff members cannot provide you with tax or legal advice. Please consult your tax or legal advisor about your personal situation.

Applicant Acknowledgement/ Approval:

I acknowledge receipt of this disclosure form—including the potential charges and fees under the annuity contract and the commissions to be paid in connection with the purchase and, if applicable, renewal of the annuity contract—and approve the purchase of the annuity contract specified above using funds from my qualified retirement plan or IRA. In addition, I represent that no payment or other consideration has been offered to or received by me as a result of this transaction.

Signature of Applicant: _____ Date: _____

Agent Representations

I represent I have complied with the requirements of ERISA Prohibited Transaction Exemption 84-24.

Signature of Agent: _____ Date: _____

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