

# Master Builder Single Premium Deferred Annuity with Enhanced Earnings Benefit

## PRODUCT FEATURES

<b>DESCRIPTION</b>	The Master Builder is designed to allow your clients to: <ul style="list-style-type: none"> <li>&gt; Transfer wealth to heirs.</li> <li>&gt; Provide heirs with additional money to help pay income taxes.</li> <li>&gt; Grow a tax-deferred inheritance for heirs.</li> <li>&gt; Access a living benefit for themselves.</li> </ul>									
<b>INTEREST RATE GUARANTEE</b>	This annuity provides a competitive initial interest rate guaranteed for 12 months. Each year, it will renew at the portfolio rate in effect at that time for another 12 months. The renewal interest rate may be higher or lower than the initial interest rate, but will always be at least 3%.									
<b>ENHANCED EARNINGS BENEFIT (Enhanced Death Benefit)</b>	<p>This benefit allows clients to leave more money to their heirs. With it, beneficiaries receive an enhanced payout — over and above the guaranteed death benefit. The benefit is a percentage of the annuity's earnings based on the client's age at the time the contract is issued. It is paid to the beneficiary if the contract owner dies after the annuity has been in force at least 5 years.</p> <p><b><i>How the Enhanced Earnings Benefit is determined</i></b></p> <table border="1"> <thead> <tr> <th>Owner's age at issue</th> <th>Years 1-5</th> <th>Years 6-10</th> </tr> </thead> <tbody> <tr> <td>0-69</td> <td>Earns 30% of annuity growth</td> <td>Earns 60% of annuity growth</td> </tr> <tr> <td>70-80</td> <td>Earns 20% of annuity growth</td> <td>Earns 40% of annuity growth</td> </tr> </tbody> </table> <p><i>Example: If the owner dies after the 10th contract year, the beneficiary receives 30% of the gain from years 1-5 PLUS 60% of the gain from years 6-10.</i></p>	Owner's age at issue	Years 1-5	Years 6-10	0-69	Earns 30% of annuity growth	Earns 60% of annuity growth	70-80	Earns 20% of annuity growth	Earns 40% of annuity growth
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<b>LIVING BENEFIT (Annuitization Enhancement)</b>	After the 10th contract year if the contract is fully annuitized, a Living Benefit will be credited to the annuity. This benefit will equal one half of the Enhanced Earnings Benefit that would have been paid if the owner's death had occurred on the annuitization date.									
<b>ANNUITIZATION OPTIONS</b>	Available after first 24 months, withdrawal charges do not apply if a payment option of greater than 5 years or income for life is selected.									
<b>GUARANTEED INTEREST</b>	This annuity will never earn less than 3%.									
<b>INITIAL PREMIUM</b>	\$5,000 Minimum \$500,000 Maximum (Larger amounts considered with company approval.)									
<b>ADDITIONAL PREMIUM DEPOSITS</b>	\$500. Annuity allows 5 additional premium deposits in the first 6 months of the 1st contract year. (4 months in PA.) Each premium deposit is credited with the current interest rate at the time it is made.									
<b>ISSUE AGES</b>	0-80 Q & NQ									

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## DEATH BENEFIT

If the owner's death occurs **before** the 5th contract year, the full accumulation value will be paid to the beneficiary.

If the owner's death occurs **after** the 5th contract year, the beneficiary will receive the annuity's full accumulation value plus an Enhanced Earnings Benefit.

**Spousal Benefit** — If the owner dies after the 5th contract year, the surviving spouse may elect to receive the annuity's full accumulation value plus the Enhanced Earnings Benefit through one of the income payment options available.

Instead of receiving the death benefit, the spouse may continue the annuity as the new owner in one of the following ways:

- **Grow the annuity with a new accumulation value:** The Enhanced Earnings Benefit is calculated as of the date of death and added to the annuity's accumulation value. This new accumulation value will continue to accumulate interest for the life of the annuity at current portfolio interest rates. There will be no Living Benefit or Enhanced Earnings Benefit available under this option and the surrender charges and MVA will be waived on all future withdrawals or surrenders.
- **Defer Enhanced Earnings Benefit for new beneficiary:** The surviving spouse assumes the role of the annuity's owner in the same contract year as owner's death. A new beneficiary is designated by the spouse. The annuity continues to accrue interest. The Enhanced Earnings Benefit will be available to the new owner and the Living Benefit continues to be available after the 10th contract year. Any withdrawal or MVA charges remain applicable.

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## FREE WITHDRAWALS

**Free Out End of 5 Years:** During the first 30 days of the 6th contract year, your client can choose to surrender all or a portion of the annuity's accumulation value and the surrender charges (and any Market Value Adjustments, if applicable) will be waived.

**Interest Only:** Interest credited to the annuity may be withdrawn on a monthly, quarterly, semi-annual or annual basis. Option may be selected at issue or anytime thereafter. Payment must be at least \$100.

**10% Free:** Up to 10% of the accumulation value may be withdrawn once each year after the 1st policy year. Must have \$2,000 or more in the annuity to exercise this option. (\$500 minimum withdrawal and one withdrawal per year allowed.)

Required Minimum Distribution available.

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## WITHDRAWAL CHARGES (%) 10 YEARS

Years: 1-5: 10,9,8,7,6 (+ or - MVA when applicable)  
No charge during 30-day window at the end of the 5th contract year.  
Years: 6-10: 5,4,3,2,1 (+ or - MVA when applicable)

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## MARKET VALUE ADJUSTMENT (MVA)

An interest adjustment made on withdrawals in the first 10 years that exceed the contract's free withdrawal privileges. (Does not apply in non-MVA states.)

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## ADDITIONAL WITHDRAWAL PRIVILEGES

100%  
FREE

**Confinement** — Full accumulation value will be paid after **1st** contract year. Owner must be confined at least 90 days. Confinement must have begun after contract issue.  
**Not available in MA.**

100%  
FREE

**Terminal Illness** — Full accumulation value is paid after **1st** contract year. Owner must have less than 12 months to live. Terminal illness must have begun after contract issue.  
**Not available in MA and TX.**

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## TAX CONSIDERATIONS

Your client should consult a qualified tax advisor prior to purchasing an annuity with an Enhanced Earnings Benefit. Under certain circumstances, the use of this benefit with IRAs may result in adverse tax consequences.