Eclipse Indexed Life

Features and Benefits

Life insurance in a new light

MINNESOTA LIFE
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Providing financial protection to your family or business is an important consideration. There are many kinds of life insurance that can help provide this protection. If you are considering permanent life insurance, Eclipse Indexed Life from Minnesota Life offers a flexible and balanced solution to meet your needs.
Lifetime Protection and Flexibility

Eclipse Indexed Life can help provide you with a lifetime of protection. You choose the amount of death benefit that will meet the needs of your beneficiaries if you pass away. The death benefit amount is flexible and can be increased or decreased if your protection needs change. Also, your beneficiaries will generally receive the death benefit income-tax free, according to current tax laws.

In addition to the amount of death benefit protection, your policy allows you to choose from one of three death benefit options. These choices allow you to customize your policy to meet your life insurance needs today. If your goals become different, your death benefit option may be changed after the first year of your policy.

Option 1 (Level): Your death benefit remains level and equals the face amount stated in your policy. The pure insurance element of your death benefit will decline as your policy builds accumulation value and can reduce the monthly cost of insurance charges that apply to your policy. This death benefit option enables accumulation value to increase more quickly than other death benefit options.

Option 2 (Increasing): Your death benefit is equal to the face amount stated in your policy plus the accumulation value. The pure insurance element will remain the same but your death benefit will change as the accumulation value increases or decreases.

Option 3 (Sum of Premiums): Your death benefit is equal to the insurance amount stated in your policy plus the sum of all premiums paid, less any partial surrenders. This option is typically used in business applications.

Subject to policy limitations and possible proof of insurability.
Interest Crediting Options

Your policy’s accumulation value may be allocated between two interest crediting options:

**Fixed Account:** Accumulation value allocated to the Fixed Account will be credited interest on a daily basis by Minnesota Life. This rate is guaranteed to never be less than 3% annually.

**Indexed Account:** Accumulation value allocated to the Indexed Account is credited interest based upon the performance of an underlying index, the S&P Composite Index of 500 stocks (S&P 500®). The S&P 500® Index only recognizes the changes in stock prices and does not include any dividend returns. The policy and the Indexed Account do not actually participate in the stock market or the S&P 500® Index.

**Here’s how the Indexed Account works:** When accumulation value is transferred into the Indexed Account, an Indexed Account segment is created. Each new index segment has a term of approximately one year. At the end of that term, interest is credited to the Indexed Account based upon the performance of the S&P 500® Index over that period (subject to a 0% minimum crediting rate and a maximum crediting rate known as the Index Cap). Any value that is withdrawn before the end of a segment will not receive any interest.

The Index Cap is established at the beginning of a segment term and cannot be changed for that segment term. However, Minnesota Life may vary the Index Cap when a new segment is created.

*The following graph is a hypothetical example of how the index cap and 0% minimum would impact the interest credited to the Indexed Account in a fluctuating market.*

Interest credits are calculated based on your policy’s accumulation value and not the premiums paid. Your accumulation value is the net premiums paid (premium minus premium charges), less the cost of insurance and other charges.

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1. “Standard & Poor’s,” “S&P,” “S&P 500®,” “Standard & Poor’s 500” and “500” are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by Minnesota Life. The Product is not sponsored, sold or promoted by Standard & Poor’s, and Standard & Poor’s makes no representation regarding the advisability of purchasing the Product. You can not invest directly in the S&P 500® Index.
**Lifetime Interest Crediting Guarantee**

In the event that your policy ends due to death, policy termination or surrender, the accumulation value of your policy is guaranteed to have been credited with at least the equivalent of a 3% effective annual interest rate. This guarantee applies without regard to whether the accumulation value was allocated to the Fixed or Indexed Account. Guarantees are based on the financial strength and claims paying ability of Minnesota Life.

**Flexible Premiums**

Your Eclipse Indexed Life policy allows you to choose when to make premium payments and the amount you would like to pay, subject to certain limitations. Generally speaking, the more premiums you pay, the greater your policy’s potential to build tax-deferred accumulation value. Accumulation value in your life insurance policy can be a very important component of your financial program that can offer you meaningful options for the future.

**Transfers**

You may transfer accumulation value between the Fixed and Indexed Accounts. However, transfers from the Indexed Account to the Fixed Account may only occur on a segment anniversary.

Providing financial protection to your family or business is an important consideration. Eclipse Indexed Life offers you a number of flexible options for your specific life insurance goals.
Policy Charges

When we receive your premium payments, we deduct a premium charge not to exceed a maximum guaranteed rate of 7% and place the remaining amount into your policy’s accumulation value.

Administration and insurance charges are deducted from your policy’s accumulation value each month. These charges will first be deducted from the Fixed Account. However, if there is insufficient accumulated value in the Fixed Account, the balance of the charges will be deducted proportionately from the Indexed Account segments.

Transaction charges may apply if you request changes be made to your policy.

Surrender charges apply to your contract for ten years from inception (or face amount increase) if you surrender your policy. For surrender charges specific to your policy, refer to a policy illustration.
**Distributions from your Eclipse Policy**

For supplemental retirement income or unplanned emergencies, you can access your policy’s accumulation value through partial surrenders or loans. Loans and partial surrenders may reduce your policy’s death benefit and are allowed after the first policy year. A transaction charge applies to partial surrenders.

Under current tax laws, the accumulation value in your policy is credited interest on an income tax-deferred basis. Generally, partial surrenders (up to your cost basis) and loans may be taken from your policy without incurring income taxes as long as your policy remains in force and is not a modified endowment contract. Always consult your tax advisor for tax information specific to your situation.

**Fixed or Variable Loan Interest Rates**

Eclipse Indexed Life offers two loan interest options, fixed or variable. The difference between fixed and variable rate loans is how the loan interest rate is defined and how interest credits for the loan balance is determined.

<table>
<thead>
<tr>
<th>Fixed loan rates</th>
<th>Variable loan rates</th>
</tr>
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<tbody>
<tr>
<td>4% interest charged</td>
<td>- Interest charged will vary with an outside index – the greater of 4% or the monthly average of Moody’s Corporate Bond Yield Average</td>
</tr>
<tr>
<td>3% interest credited on loans from policies that have been in force for less than or equal to 10 years</td>
<td>- Interest credited will be the same as the interest credited to the policy’s accumulation value</td>
</tr>
<tr>
<td>3.9% interest credited on loans from policies that have been in force for more than 10 years</td>
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**Tax Considerations**

This information is a general discussion of the relevant federal tax laws. It is not intended for, nor can it be used by any taxpayer for the purpose of avoiding federal tax penalties. This information is provided to support the promotion or marketing of ideas that may benefit a taxpayer. Taxpayers should seek the advice of their own tax and legal advisors regarding any tax and legal issues applicable to their specific circumstances.
**Customize your Eclipse Policy**

These optional agreements allow you to enhance your Eclipse life insurance policy. Additional monthly charges apply when these agreements are added to your policy.

**Term Insurance Agreement** is additional term coverage that can be used to supplement your policy’s death benefit if you have an insurance need that may be temporary in nature.

**Death Benefit Guarantee Agreement** provides additional protection against policy termination due to insufficient accumulation value. While this agreement is in effect, your policy cannot terminate even if the accumulation value less any loans and accrued interest falls to zero.

It is important that premium payments are paid when scheduled to ensure that you have the Death Benefit Guarantee Agreement in effect for the period of time that you desire. Premium payments that are missed or received after they are scheduled will reduce the length of time that your Death Benefit Guarantee Agreement will remain in effect.

**Waiver of Charges Agreement** provides for the waiver of monthly charges by Minnesota Life if you are totally disabled prior to age 60.

**Waiver of Premium Agreement** provides for the payment of premium to your policy by Minnesota Life if you are totally disabled prior to age 60.

**The Accelerated Benefit Agreement** is added to your policy at no charge. This agreement allows you to access a portion of your death benefit in the event of terminal illness.

*Certain combinations of these agreements may not be permitted.*
Keep Track of your Policy

Minnesota Life makes it easy for you to access information about your policy:

- Visit the online service center at www.minnesotalife.com.

- Review your annual policy statement that outlines the current status of your policy and changes you made during the past year.

The Company behind Eclipse Indexed Life

With an extensive history in offering flexible life insurance, Minnesota Life provides exceptional service and quality. Minnesota Life is highly rated by the major independent rating agencies that analyze the financial soundness and claims-paying ability of insurance companies. For more information about the rating agencies and to see where Minnesota Life’s ratings appear relative to other ratings, please see our web site at www.minnesotalife.com/about/financials.asp.
Choose Eclipse if you:

• have a death benefit need.

• want interest credited to your policy’s accumulation value that is tied to the performance of an index.\(^3\)

• would like to customize your policy with optional agreements.

• want the cash accumulation advantages of permanent life insurance.

• think guarantees are important, but want to earn interest that has the potential to keep pace with inflation.

• think that a life insurance policy backed by a company with a history of strength, integrity and values is important.

\(^3\)Subject to caps and guaranteed minimum interest rates at death, surrender or termination. You may not invest directly in an index.

Eclipse Indexed Life offers you a number of valuable customizable policy benefits for your specific insurance goals. Talk with your financial professional today about how Eclipse can help provide you with a flexible insurance solution.
For more details about Eclipse Indexed Life, ask your financial professional for a hypothetical illustration specific to your life insurance needs.