Single Premium Immediate Annuity

Secure, Guaranteed Income You Can't Outlive

Penn Mutual
A better way of life

Enjoy Your Retirement With Income That Lasts a Lifetime

For many of us, retirement provides the freedom we've anticipated over the years. The good news is that people are living longer and enjoying more of that long-awaited free time in retirement — even 25-30 years.

In fact, an average 65-year old couple has a greater than 50% chance that one of them will live to age 90.*

The challenging part is ensuring that you don't outlive your retirement savings.

As you begin this new phase of life, you may want to consider a retirement solution that guarantees steady income for as long as you live — no matter how long that is.

** Source: Annuity 2000 Mortality Table*

Single Premium Immediate Annuity: Income for life

A Single Premium Immediate Annuity, or SPIA, can deliver protection and peace of mind by providing income even if you live beyond normal life expectancy.

A SPIA locks in a competitive rate that provides a series of guaranteed payments that can last for as long as you live. Or, you can choose a stream of payments that lasts for a specific time period. No matter which payout option you select, payments remain consistent in both amount and frequency. Penn Mutual's SPIA can provide guaranteed, steady income with just one purchase payment. All guarantees are based on the claims-paying ability of the issuer.

Eliminate investment risk

Unlike many other investments, your SPIA is not subject to market volatility. Regardless of what happens within the financial markets, your SPIA income is protected from loss.

Protect your investment from inflation

In retirement, there are no wage increases to help you keep pace with inflation. And if you're retired for 20 years or more, inflation can quickly erode your savings. With Penn Mutual's SPIA, many income options offer you additional protection with a Cost of Living Adjustment (COLA) benefit. This feature is designed to help offset rising costs and the impact inflation can have on your retirement income. Please note, the COLA benefit is available for non-qualified contracts only.

Please note: Withdrawals may be subject to income taxes, and if taken before age 59½, may be subject to an additional 10 percent federal penalty tax.




Maximize your investment

A Single Premium Immediate Annuity is a good way to turn a lump sum of money into regular, guaranteed income. Not only can a SPIA provide immediate income, but it also offers tax deferral. When you buy your SPIA with after-tax dollars, you only pay taxes on earnings when the money is withdrawn. With other investments, such as a CD, you must pay taxes each year on earned interest even though you may not be accessing your money until the end of the CD term.

Choose the guarantee that's right for you

Everyone has different income needs, which is why a Penn Mutual SPIA offers a variety of income options, including:

- Income for as long as you live
- Income for as long as you and another person live
- Income for a specific period of time.

Protection for your loved ones

Additionally, in the event of your early death, you can guarantee that your beneficiary will receive payments for a certain period of time, anywhere from 5 to 30 years. Or you can choose your payments to continue until the amount of your initial premium has been paid out.

A Better Way of Life

Founded in 1847, The Penn Mutual Life Insurance Company has honored each and every financial commitment throughout its long history. We have a long and distinguished reputation for consistent growth, profitability and prudent management. It's a track record you can rely on, backed by high ratings from A.M. Best, Moody's Investor Services and Standard & Poor's. You can count on us to continually strive to help bring you *a better way of life.*

The chart below is a hypothetical example that demonstrates how the payout option you choose may affect the retirement income you would receive.

Jack and Susan, a married couple, both age 65, are about to retire. They have purchased a $100,000 Single Premium Immediate Annuity contract, opting for a monthly payout. Below are examples of the income options available to them. Actual results may be more or less than those shown.

INCOME OPTION	MONTHLY INCOME
Life Only (for Jack's lifetime)	$698
Life with 10-Year Period Certain (for Jack's lifetime)	$671
Life with Installment Refund (for Jack's lifetime)	$655
Joint and 50% Survivor Life	$671
Joint and 100% Survivor Life	$580
Period Certain Only (10 years)	$1,022

Additional Information

What market types are available?
Qualified and non-qualified.

What are the minimum and maximum premiums allowed?
$2,500 to $3,000,000 (Higher amounts are available for period certain only with home office approval.)

What are the payout options?

- **Life Only:** Provides periodic payments guaranteed for the lifetime of the annuitant. Upon the death of the annuitant, payments will cease and there are no payments made to a beneficiary.

- **Certain Only:** Provides periodic income payments for a guaranteed period ranging from 5 to 30 years. The guaranteed period may not exceed the annuitant life expectancy as defined by the Life Expectancy Table.* If the annuitant dies prior to the end of the guaranteed period, payments will continue to be paid to the designated beneficiary/ies until the end of the guaranteed period. The beneficiary/ies may elect to receive a commuted value lump-sum payment instead of the remaining periodic payments.**

- **Life with Period Certain:** Provides periodic income payments for the lifetime of the annuitant, which are guaranteed for a period of time. This guaranteed period of time is called the "period certain" and ranges from 5 to 30 years. The period certain selected may not exceed the annuitant life expectancy as defined by the Life Expectancy Table.* If the annuitant dies prior to the end of the period certain, payments will continue to be paid to the designated beneficiary/ies until the end of the period certain. The beneficiary/ies may elect to receive a commuted value lump-sum payment instead of the remaining periodic payments. If the annuitant lives longer than the period certain, payments will continue but the beneficiary/ies benefits cease.**

- **Life with Installment Refund:** Provides periodic payments for the lifetime of the annuitant with a guarantee that payments will continue until total payments are equal to the initial investment amount. At the time the benefit begins, a guaranteed minimum number of payments are calculated based on the guaranteed amount. If the annuitant dies prior to the end of the guaranteed period, the beneficiary will receive the remaining guaranteed payments. The beneficiary/ies may elect to receive a commuted value lump-sum payment instead of the remaining periodic payments.**

- **Joint and Survivor Life:** Provides periodic income payments for the lives of two annuitants. This payment option is calculated based on the joint life expectancy of the two annuitants as defined by the Life Expectancy Table at the time benefit payments begin.* Upon the death of either annuitant, and based on the percentage initially selected, payments will either continue at 100% or reduce to a certain percentage (50%, 66 2/3% or 75%) of the original benefit amount for the lifetime of the surviving annuitant. After the deaths of both annuitants, payments cease and there are no payments to beneficiary/ies.

- **Joint and Survivor Life with Period Certain:** Provides periodic income payments for the lives of two annuitants, which are guaranteed for a period of time. This guaranteed period of time is called the "period certain" and ranges from 5 to 30 years. The period certain selected may not exceed the joint life expectancy of the two annuitants as defined by the Life Expectancy Table.* This payment option is calculated based on the joint life expectancy of the two annuitants at the time benefit payments begin. Upon the death of either annuitant, payments will continue to be paid to the surviving annuitant until the end of the guaranteed period. After the guaranteed period ends and based on the percentage initially selected, payments will either continue at 100% or reduce to a certain percentage (50%, 66 2/3% or 75%) of the original benefit amount for the lifetime of the surviving annuitant. If both annuitants die prior to the end of the guaranteed period, payments will continue to be paid to the designated beneficiary/ies until the end of the guaranteed period. The beneficiary/ies may elect to receive a commuted value lump-sum payment instead of the remaining periodic payments.**

- **Joint and Contingent Life:** Provides periodic payments for the life of two annuitants. One annuitant is known as the Primary and the other annuitant is known as the Contingent annuitant. Upon the death of the Primary annuitant and based on the percentage initially selected, payments to the Contingent annuitant will either continue at 100% or reduce to a certain percentage (50%, 66 2/3% or 75%) of the original benefit amount for the lifetime of the Contingent annuitant. If the Contingent annuitant dies prior to the Primary annuitant, the Primary annuitant continues receiving the original benefit amount for the rest of his or her lifetime. This payment option is calculated based on the joint life expectancy of the Primary and Contingent annuitants at the time benefit payments begin. There are no payments to beneficiary/ies with the Joint and Contingent Life Option.

- **Joint and Contingent Life with Period Certain:** Provides periodic payments for the life of two annuitants, which are guaranteed for a period of time. This guaranteed period of time is called the "period certain" and ranges from 5 to 30 years. The period certain selected may not exceed the joint life expectancy of the two annuitants as defined by the Life Expectancy Table.* This payment option is calculated based on the joint life expectancy of the Primary and Contingent annuitants at the time benefit payments begin. One annuitant is known as the Primary and the other annuitant is known as the Contingent annuitant. Upon the death of the Primary annuitant, payments will continue to be paid to the Contingent annuitant until the end of the guaranteed period. After the guaranteed period ends, and based on the percentage initially selected, payments to the Contingent annuitant will either continue at 100% or reduce to a certain percentage (50%, 66 2/3% or 75%) of the original benefit amount for the lifetime of the Contingent annuitant. If the Contingent annuitant dies prior to the Primary annuitant, the Primary annuitant continues receiving the original benefit amount for the rest of his or her lifetime. If both annuitants die prior to the end of the guaranteed period, payments will continue to be paid to the designated beneficiary/ies until the end of the guaranteed period. The beneficiary/ies may elect to receive a commuted value lump-sum payment instead of the remaining periodic payments.**

What are the Period Certain lengths?
Periods of 5 to 30 years are available.

Can the first payment be deferred?
Yes, the first payment can be deferred up to one year.

What payment frequencies are available?
Monthly, quarterly, semi-annually or annually.

What are the payment methods?
Check or electronic funds transfer.

What is the COLA feature?
The COLA, or cost of living adjustment, increases payment amounts annually for non-qualified Life Annuity with Period Certain contracts only. Please note: COLA increases over 3 percent may be restricted to certain policy forms and may be more or less than the actual rate of inflation.

Talk to your Penn Mutual financial professional today about a Single Premium Immediate Annuity.

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* Please refer to Life Expectancy Tables available in IRS Publication 939, Tables V and VI, which can be found at www.irs.gov/publications
** Commuted Value is the present value of any scheduled future annuity payments. Please note that the commuted value will be less than the sum of the remaining annuity payments.

Product and/or features may not be available in all states. (Policy form numbers: A-80, A-81, A-82, A-83, A-84 and AC80)

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A9JC-0603-04