

# SmartStep

Single Premium Deferred Annuity



W&S Financial  
Group Distributors

A member of Western & Southern Financial Group

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Issuers: Western-Southern Life Assurance Company  
National Integrity Life Insurance Company

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***Step up your retirement confidence***

*Worn out by rate fluctuations? Wary of market volatility?*

*Consider taking a smart step toward your goals for wealth building and planning for future financial security.*

# A Guaranteed Initial Rate And Three Annual Step-Ups:

**SmartStep** — a single premium deferred annuity issued and guaranteed by Western-Southern Life Assurance Company (Western & Southern Life) or National Integrity Life Insurance Company (National Integrity), — may set out a sure path.

SmartStep provides three years of certainty that your interest rate is guaranteed to go up ... and up ... and up. It may give you a measure of protection against adverse economic conditions and volatile interest rate climates.

Ascend toward your retirement goals with a competitive initial interest rate followed by three annual rate increases.



# Four Years. For Certain.

## Boost Your Future Security

Achieving your desired retirement depends on capitalizing on the factors you can control. Consider how the advantages of SmartStep can help you with:

- Guaranteed initial interest rate for one year, followed by three years of rate step-ups.
- Tax-deferred compound growth.
- Guaranteed minimum interest rate as defined in your contract.
- Option to elect an income guaranteed for as long as the annuitant lives (or for as long as either of two annuitants lives).
- Certain specified life events can qualify for access to funds with no withdrawal charges!<sup>1</sup>
- Payment of a death benefit equal to your account value if you die during the deferral period.
- Option to elect a Return of Premium guarantee (in exchange for lower interest rate step-ups).

<sup>1</sup> Not available in CA and CT. Withdrawals of taxable amounts are subject to ordinary income tax and, before age 59½, generally subject to a 10% IRS penalty tax.

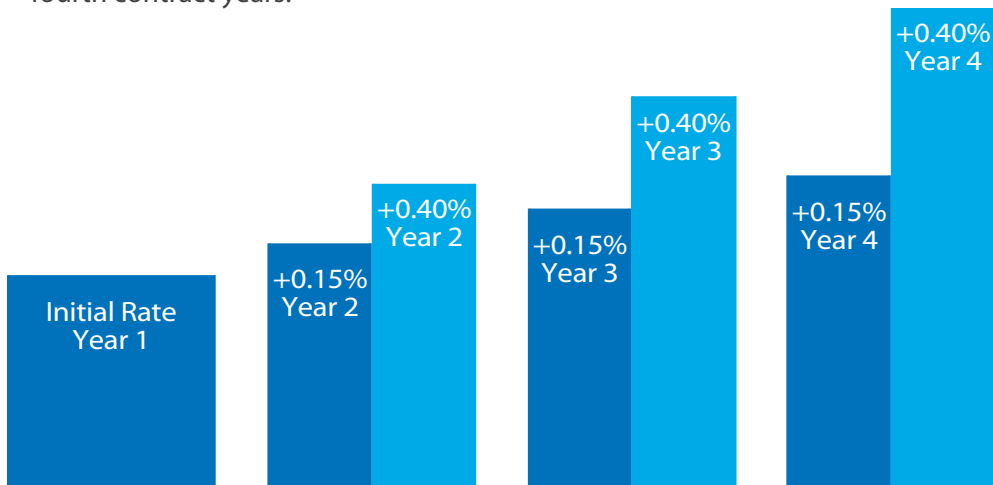
# What Will Your Future Bring?

## Three Annual Rate Increases

SmartStep starts your money growing at a competitive current interest rate in the first contract year. Then it increases that interest rate in contract years two, three and four. Thereafter, the contract is credited with an annual renewal interest rate set by the company.

### Lock In Interest Rate Increases

- **Contracts with Return of Premium:** Receive an annual interest rate step-up of 0.15% for the second through fourth contract years.
- **Contracts without Return of Premium:** Receive an annual interest rate step-up of 0.40% for the second through fourth contract years.



Annual effective interest rates

■ Return of Premium

■ No Return on Premium

### Raise Your Rate Even Higher

Premiums of \$100,000 and above earn an additional 0.20% added to the initial interest rate. Provided the account value remains above \$100,000, that additional 0.20% continues to be credited through the fourth contract year. If it does not, the additional interest ends the next day and cannot resume.

**Year 5+**  
Annual  
renewal  
rate set by  
company

# Step Up to Smart Benefits

## Flexible Access to Your Funds

SmartStep works best when left to grow and compound. However, you can access your account value if unexpected needs arise.

### Withdrawal-Charge-Free Amounts

#### > Contracts with Return of Premium.

Up to 10% of the account value may be withdrawn each contract year<sup>2</sup>

#### > Contracts without Return of Premium:

- For qualified contracts, up to 5% of the account value may be withdrawn each contract year<sup>2</sup>
- For nonqualified contracts, up to 10% of the account value in total may be withdrawn during contract years 1-4, then 10% of the account value in contract years 5 and 6 each<sup>2</sup>

### Declining Withdrawal Charge

A charge applies only to amounts in excess of the withdrawal-charge-free amount and decreases over time based on the number of years since the contract was issued. The withdrawal charge is the following percentages of the account value:

Contract Year	1-3	4	5	6	7+
Charge	7%	6%	5%	4%	0%

## Return of Premium Guarantee (Optional)

You may surrender your contract at any time (a withdrawal charge may apply)<sup>2</sup> Choose the Return of Premium option (at time of application) and know that your cash surrender value will always be at least 100% of your premium paid, adjusted for any withdrawals. The cost of the guarantee is a lower interest rate step-up in years 2-4 of the contract.

## Income Options for Future Security

When you are ready to take your income (annuitize), choose scheduled income payments guaranteed to continue for a lifetime, with a 10-year period certain (single or joint). Other options may be available. Once income payments are elected, other features of the annuity, such as cash value and withdrawals, are no longer available.

## Death Benefit Protection

At the death of the owner during the deferral period, the beneficiary who survives the owner's death receives the account value on the day the death claim is processed. Death benefit proceeds are paid directly to the beneficiary without the delay and expense of probate. No withdrawal charge applies.

<sup>2</sup> Withdrawals of taxable amounts are subject to ordinary income tax and, before age 59½, generally subject to a 10% IRS penalty tax.

## Tap the Power of Tax Deferral

Why pay taxes today on money set aside for tomorrow? Your earnings grow tax deferred in SmartStep. Tax deferral means your money grows free of current taxes. Because taxes are due only when interest earnings are taken, your money grows faster than in a currently taxed alternative paying the same rate.

### The reason:

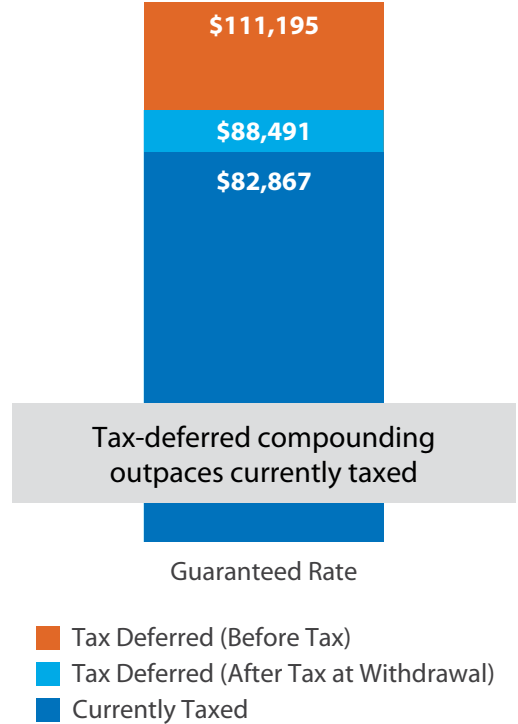
- Your money earns interest.
- Your interest earns interest.
- Your money you would have paid in taxes earns interest.

### The result:

Withdrawals are considered “income first” for tax purposes. If your SmartStep income is spread over time, so too are your taxes subject to current IRS rules. You may be in a lower tax bracket when you begin withdrawing earnings. (If you own an annuity through a qualified plan or an IRA, no added tax deferral advantage exists.)

What matters isn't just how much you earn. What matters is how much you keep after taxes. See the next page for an example.

## See the Tax-Deferred Difference



This hypothetical illustration demonstrates tax deferral, not the SmartStep annuity. It assumes a \$50,000 lump-sum investment compounding without withdrawals for a 30-year period with a 2.7% rate. Hypothetical returns neither predict nor project actual performance of any product or investment option. A combined federal and state tax rate of 37.1% (33% federal, 4.1% state) is assumed. Your actual tax rate may differ. There is a 10% federal tax penalty for annuity withdrawals before age 59½. Charges and fees of the tax-deferred product are not included. If they were, results would be lower. Lower tax rates on capital gains and dividends would make the return on the taxable investment more favorable, thereby reducing the difference in the performance between the accounts shown. Consider your personal investment horizon and tax bracket, both current and anticipated, when making an investment decision as these may further impact the results of the comparison. Tax rates and tax treatment of earnings may impact comparative results.

# Make a Smart Step Today

Payment of benefits under the annuity contract is the obligation of, and is guaranteed by, the insurance company issuing the annuity. Guarantees are based on the claims-paying ability of the insurer. Annuity products are backed by the full financial strength of Western-Southern Life Assurance Company, Cincinnati, OH, operating in DC and all states except NY, where National Integrity Life Insurance Company, White Plains, NY, operates. W&S Financial Group Distributors, Inc. (doing business in CA as W&S Financial Insurance Services) is an affiliated life insurance agency of the issuer. Issuer has sole financial responsibility for its products. All companies are members of Western & Southern Financial Group.

Western & Southern member companies and their representatives do not offer tax advice. For specific tax information, contact your attorney or tax advisor. Product and feature availability, as well as benefit provisions, vary by state. See your financial professional for details. Single Premium Deferred Annuity Contract series ICC12 1303-52006 WSA, ICC12 1303-52006 NIL and 1303-52006 NIL NY R and rider series ICC12 1303-5625 WSA END, ICC12 1303-5626-NQ WSA END, ICC12 1303-5627-Q WSA END, ICC12 1303-5628 WSA END, ICC12 1303-5629 WSA END, ICC12 1303-5625 NIL END, 1303-5625 NIL END NY, ICC12 1303-5626-NQ NIL END, 1303-5626-NQ NIL END NY, ICC12 1303-5627-Q NIL END, 1303-5627-Q NIL END NY, ICC12 1303-5628 NIL END, 1303-5628 NIL END NY, ICC12 1303-5629 NIL END, 1303-5629 NIL END NY.

**No bank guarantee • Not a deposit • May lose value • Not FDIC/NCUA insured  
Not insured by any federal government agency**

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## Western & Southern: Our Strength. Your Future.

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