

## Monument Advisor Individual Variable Annuity

*issued by*

JEFFERSON NATIONAL LIFE ANNUITY ACCOUNT G  
AND  
JEFFERSON NATIONAL LIFE INSURANCE COMPANY

This prospectus describes the Monument Advisor Individual Variable Annuity Contract (Contract) offered by Jefferson National Life Insurance Company (We, Us, Our). This Contract provides for the accumulation of Contract Values on a variable basis and subsequent Annuity Payments on a fixed basis, a variable basis or a combination of both. The Contract charges no insurance fees other than the \$20 per month Subscription Fee imposed during the Accumulation Period and Annuity Period. You also pay any applicable Transaction Fees (described below), as well as the fees of the Investment Portfolios you select and any Investment Advisor you retain. Under the terms of the Contract, you may not enter the Annuity Period until two (2) years from the date you purchase the Contract. This time period may vary by state.

Before purchasing the Contract in most states, you must consent to our delivering electronically all documents and reports relating to your Contract and the Investment Portfolios. You provide your consent by signing the contract application. The application contains a statement indicating that you agree to access all information relating to your contract electronically. Paper versions of these documents will not be sent unless you elect to receive paper documents after purchasing the Contract, or otherwise request a specific document. Of course, you can print out any document we make available or transmit to you, and we encourage you to do so. You may revoke your consent at any time.

The Contract has a variety of investment options, which include several Sub-accounts that invest in the Investment Portfolios listed below. You can put your money in any of the Sub-accounts. We impose a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios. These Investment Portfolios may not be available in all states. You can view at our Website the current prospectus of each Investment Portfolio, which includes information about each Investment Portfolio's management fees and other expenses you will bear indirectly.

Money you put in a Sub-account is invested exclusively in a single Investment Portfolio. Your investments in the Investment Portfolios are not guaranteed. You could lose your money.

### **A I M Variable Insurance Funds**

*Managed by Invesco Aim Advisors, Inc.*

- AIM V.I. Basic Value - Series II shares
- AIM V.I. Capital Development - Series I shares
- AIM V.I. Core Equity - Series I shares
- AIM V.I. Financial Services - Series I shares

- AIM V.I. Global Health Care – Series I shares
- AIM V.I. Global Real Estate Fund - Series I shares
- AIM V.I. Government Securities-Series I shares
- AIM V.I. High Yield - Series I shares
- AIM V.I. International Growth – Series I shares
- AIM V.I. Mid Cap Core Equity - Series II shares
- AIM V.I. Technology - Series I shares

### **The Alger American Fund**

*Managed by Fred Alger Management, Inc.*

- Alger American Capital Appreciation - Class O
- Alger American Growth – Class O  
(Name changing to LargeCap Growth -Class O effective July 1, 2008)
- Alger American MidCap Growth - Class O
- Alger American SmallCap Growth -Class O (closed to new investors)

### **AllianceBernstein Variable Products Series Fund, Inc.**

*Managed by AllianceBernstein L.P.*

- AllianceBernstein Growth and Income (Class A)
- Alliance Bernstein International Growth (Class B)
- AllianceBernstein International Value (Class B)
- AllianceBernstein Small Cap Growth (Class B)
- AllianceBernstein Small Mid Cap Value (Class B)

### **ALPS Variable Insurance Trust**

*Managed by ALPS Advisers, Inc., Sub-advised by Red Rocks Capital LLC*

- AVS Listed Private Equity Portfolio– Class II

### **American Century Variable Portfolios, Inc.**

*Managed by American Century Investment Management, Inc.*

- American Century VP Balanced (Class I)
- American Century VP Income & Growth (Class I)
- American Century VP Inflation Protection (Class II)
- American Century VP Large Company Value (Class I)
- American Century VP Ultra (Class I)
- American Century VP Value (Class I)
- American Century VP Vista (Class I)

*Managed by American Century Global Investment Management, Inc.*

- American Century VP International (Class I)

### **Credit Suisse Funds**

*Managed by Credit Suisse Trust*

- Credit Suisse Trust Commodity Return Strategy

### **The DireXion Insurance Trust**

*Managed by Rafferty Asset Management, LLC*

- DireXion Dynamic VP HY Bond

**The Securities and Exchange Commission has not approved or disapproved these securities or determined if this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

- Evolution VP All-Cap Equity (Investor Class)
- Evolution VP Managed Bond (Investor Class)

### **The Dreyfus Investment Portfolios**

*Managed by The Dreyfus Corporation*

- Dreyfus Small Cap Stock Index (Service Shares)
- The Dreyfus Socially Responsible Growth Fund, Inc. (Initial Shares)

### **Dreyfus Stock Index Fund, Inc. (Initial Shares)**

*Managed by The Dreyfus Corporation and Mellon Capital Management is the Sub-Adviser.*

### **Dreyfus Variable Investment Fund (“Dreyfus VIF”) (Initial Shares)**

*Managed by The Dreyfus Corporation*

- Dreyfus VIF—International Value (Initial Shares)

### **Federated Insurance Series**

*Managed by Federated Equity Management Company of Pennsylvania and Federated Investment Management Company is the Sub-Adviser*

- Federated Capital Income II

*Managed by Federated Investment Management Company*

- Federated High Income Bond II (Primary Shares)

*Managed by Federated Global Investment Management Corp.*

- Federated International Equity II

*Managed by Federated Equity Management Company of Pennsylvania*

- Federated Kaufmann II (Service Shares)
- Federated Market Opportunity II (Service Shares)

### **Financial Investors Variable Insurance Trust**

*Managed by ALPS Advisers, Inc., Sub-advised by Ibbotson Associates*

### **Ibbotson ETF Asset Allocation Portfolios**

- Ibbotson Aggressive Growth (Class II)
- Ibbotson Balanced ETF (Class II)
- Ibbotson Conservative ETF (Class II)
- Ibbotson Growth ETF (Class II)
- Ibbotson Income & Growth ETF (Class II)

### **Janus Aspen Series**

*Managed by Janus Capital Management LLC*

- Janus Aspen Balanced (Institutional Shares)
- Janus Aspen Forty (Institutional Shares)
- Janus Aspen Global Life Sciences Institutional Shares)
- Janus Aspen Growth and Income (Institutional Shares)
- Janus Aspen INTECH Risk-Managed Core (Service Shares) *Sub-advised by Enhanced Investment Technologies, LLC.*
- Janus Aspen INTECH Risk-Managed Growth (Service Shares) *Sub-advised by Enhanced Investment Technologies, LLC.*
- Janus Aspen International Growth (Institutional Shares)
- Janus Aspen Large Cap Growth (Institutional Shares)
- Janus Aspen Mid Cap Growth (Institutional Shares)
- Janus Aspen Mid Cap Value (Institutional Shares) *Sub-Advised by Perkins, Wolf, McDonnell and Company, LLC.*
- Janus Aspen Small Company Value (Service Shares)
- Janus Aspen Worldwide Growth (Institutional Shares)

### **Lazard Retirement Series, Inc.**

*Managed by Lazard Asset Management LLC*

- Lazard Retirement Emerging Markets Equity
- Lazard Retirement International Equity
- Lazard Retirement U.S. Small Cap Equity
- Lazard Retirement U.S. Strategic Equity

### **Legg Mason Partners Variable Equity Trust**

*Managed by Legg Mason Partners Fund Adviser, LLC Subadvised by ClearBridge Advisors, LLC*

- Legg Mason Partners Variable Aggressive Growth
- Legg Mason Partners Variable Capital and Income
- Legg Mason Partners Variable Fundamental Value
- Legg Mason Partners Variable Large Cap Growth

### **Legg Mason Partners Variable Income Trust**

*Subadvised by Western Asset Management Company*

- Legg Mason Partners Variable Global High Yield Bond
- Legg Mason Partners Variable Strategic Bond

### **Lord Abbett Series Fund, Inc.**

*Managed by Lord, Abbett & Co. LLC*

- Lord Abbett America’s Value
- Lord Abbett Bond Debenture
- Lord Abbett Growth and Income
- Lord Abbett International
- Lord Abbett Large Cap Core

### **Nationwide Variable Insurance Trust**

*Managed by Nationwide Fund Advisers*

- Nationwide VIT Bond Index
- Nationwide VIT International Index
- Nationwide VIT Mid Cap Index
- Nationwide VIT S&P 500 Index
- Nationwide VIT Small Cap Index

### **Neuberger Berman Advisers Management Trust (“Neuberger Berman AMT”)**

*Managed by Neuberger Berman Management, Inc.*

- Lehman Brothers High Income
- Lehman Brothers Short Duration
- Neuberger Berman AMT Mid-Cap Growth
- Neuberger Berman AMT Partners
- Neuberger Berman AMT Regency
- Neuberger Berman AMT Small Cap Growth (Class S)
- Neuberger Berman AMT Socially Responsive

### **Northern Lights Variable Trust**

*Managed by Changing Parameters, LLC.*

- Changing Parameters

*Managed by JNF Advisors, Inc.*

- JNF Chicago Equity Partners Balanced
- JNF Chicago Equity Partners Equity
- JNF Loomis Sayles Bond
- JNF Money Market Portfolio

### **PIMCO Variable Insurance Trust**

*Managed by Pacific Investment Management Company LLC*

- PIMCO VIT All Asset (Administrative Class)
- PIMCO VIT CommodityRealReturn™ Strategy (Administrative Class)
- PIMCO VIT Emerging Markets Bond (Administrative Class)

- PIMCO VIT Foreign Bond (U.S. Dollar-Hedged) (Administrative Class)
- PIMCO VIT Global Bond (Unhedged) (Administrative Class)
- PIMCO VIT High Yield (Administrative Class)
- PIMCO VIT Long-Term U.S. Government (Administrative Class)
- PIMCO VIT Low Duration (Administrative Class)
- PIMCO VIT RealEstateRealReturn Strategy (Administrative Class)
- PIMCO VIT Real Return (Administrative Class)
- PIMCO VIT Short-Term (Administrative Class)
- PIMCO VIT StockPLUS® Total Return (Administrative Class)
- PIMCO VIT Total Return (Administrative Class)

#### **Pioneer Variable Contracts Trust (Class II Shares)**

*Managed by Pioneer Investment Management, Inc.*

- Pioneer Bond VCT
- Pioneer Cullen Value VCT
- Pioneer Emerging Markets VCT
- Pioneer Equity Income VCT
- Pioneer Fund VCT
- Pioneer Global High Yield VCT
- Pioneer High Yield VCT
- Pioneer International Value VCT
- Pioneer Mid Cap Value VCT
- Pioneer Small Cap Value VCT
- Pioneer Strategic Income VCT

#### **Royce Capital Fund**

*Managed by Royce & Associates, LLC*

- Royce Micro-Cap
- Royce Small-Cap

#### **Rydex Variable Trust**

*Managed by Rydex Investments*

- Rydex Absolute Return Strategies
- Rydex Alternative Strategies Allocation
- Rydex Banking
- Rydex Basic Materials
- Rydex Biotechnology
- Rydex Commodities Strategy
- Rydex Consumer Products
- Rydex Dow 2x Strategy
- Rydex NASDAQ-100® 2x Strategy
- Rydex Russell 2000® 2x Strategy
- Rydex S&P 500 2x Strategy
- Rydex Strengthening Dollar 2x Strategy
- Rydex Weakening Dollar 2x Strategy
- Rydex Electronics
- Rydex Energy
- Rydex Energy Services
- Rydex Essential Portfolio Aggressive
- Rydex Essential Portfolio Conservative
- Rydex Essential Portfolio Moderate
- Rydex Europe 1.25x Strategy
- Rydex Financial Services
- Rydex Government Long Bond 1.2x Strategy

- Rydex Health Care
- Rydex Hedged Equity
- Rydex Internet
- Rydex Inverse Dow 2x Strategy
- Rydex Inverse Government Long Bond Strategy
- Rydex Inverse Mid-Cap Strategy
- Rydex Inverse NASDAQ-100® Strategy
- Rydex Inverse Russell 2000® Strategy
- Rydex Inverse S&P 500 Strategy
- Rydex Japan 1.25x Strategy
- Rydex Large-Cap Growth
- Rydex Large-Cap Value
- Rydex Leisure
- Rydex Mid Cap 1.5x Strategy
- Rydex Mid-Cap Growth
- Rydex Mid-Cap Value
- Rydex Multi-Cap Core Equity
- Rydex Nova
- Rydex NASDAQ-100® Strategy
- Rydex Precious Metals
- Rydex Real Estate
- Rydex Retailing
- Rydex Russell 2000® 1.5x Strategy
- Rydex Sector Rotation
- Rydex Small-Cap Growth
- Rydex Small-Cap Value
- Rydex Technology
- Rydex Telecommunications
- Rydex Transportation
- Rydex U.S. Government Money Market
- Rydex Utilities
- Rydex International Rotation
- CLS AdvisorOne Amerigo
- CLS AdvisorOne Clermont

#### **Seligman Portfolios, Inc.**

*Managed by J. & W. Seligman & Co. Incorporated*

- Seligman Communications and Information (Class II)
- Seligman Global Technology (Class II)
- Seligman Large Cap Value (Class I)
- Seligman Smaller Cap Value (Class I)

#### **Third Avenue Variable Series Trust**

*Managed by Third Avenue Management LLC.*

- Third Avenue Value

#### **T. Rowe Price Equity Series, Inc.**

- T. Rowe Price Blue Chip Growth - II
- T. Rowe Price Equity Income - II
- T. Rowe Price Health Sciences II

#### **T. Rowe Price Fixed Income Securities, Inc.**

*Managed by T. Rowe Price Associates, Inc.*

- T. Rowe Price Limited-Term Bond - II

#### **Van Eck Worldwide Insurance Trust**

*Managed by Van Eck Associates Corporation*

- Van Eck Worldwide Absolute Return
- Van Eck Worldwide Bond
- Van Eck Worldwide Emerging Markets
- Van Eck Worldwide Hard Assets

---

- Van Eck Worldwide Real Estate

**Vanguard Variable Insurance Funds**

- Vanguard Balanced
- Vanguard Capital Growth
- Vanguard Diversified Value
- Vanguard Equity Index
- Vanguard International
- Vanguard Short-Term Investment Grade
- Vanguard Small Company Growth
- Vanguard Total Bond Market
- Vanguard Total Stock Market Index

**Wells Fargo Advantage Funds**

*Managed by Wells Fargo Funds Management, LLC*

- Wells Fargo Advantage Small/Mid Cap Value
- Wells Fargo Advantage VT Discovery
- Wells Fargo Advantage VT Opportunity

Please read this prospectus before investing. You should keep it for future reference. It contains important information about the Contract.

To learn more about the Contract, you can obtain a copy of Our Statement of Additional Information (SAI) dated May 1, 2008. The SAI has been filed with the Securities and

Exchange Commission (SEC) and is legally a part of this prospectus. The SEC has a Web site (<http://www.sec.gov>) that contains the SAI, material incorporated by reference, and other information regarding companies that file electronically with the SEC. The SAI's Table of Contents is at the end of this prospectus.

For a free copy of the SAI, call Us at (866) 667-0561 or write Us at Our administrative office:

- Address for correspondence sent via U.S. Mail: P.O. Box 36840, Louisville, Kentucky 40233;
- Address for correspondence sent via courier or overnight mail: 9920 Corporate Campus Drive, Suite 1000, Louisville, KY 40223.

**The Contracts:**

- **are not bank deposits**
- **are not federally insured**
- **are not endorsed by any bank or government agency**
- **are not guaranteed and may be subject to loss of principal**

<b>Table of Contents</b>	<b>Page</b>
<b>Definitions of Special Terms</b> .....	7
<b>Highlights</b> .....	9
<b>Fee Table</b> .....	11
Examples of Fees and Expenses .....	12
Condensed Financial Information .....	12
<b>The Company</b> .....	13
The Monument Advisor Annuity Contract.....	13
Free Look .....	13
Assignment .....	13
Electronic Administration of Your Contract .....	13
Confirmations and Statements .....	14
<b>Purchase</b> .....	15
Purchase Payments.....	15
Allocation of Purchase Payments .....	15
<b>Investment Options</b> .....	16
Investment Portfolios.....	16
Administrative, Marketing and Support Services Fees .....	16
Fixed Account .....	16
Voting Rights .....	16
Substitution.....	17
<b>Transfers</b> .....	17
Excessive Trading Limits.....	17
Dollar Cost Averaging Program.....	19
Rebalancing Program .....	19
Advisory Fee Withdrawals .....	19
<b>Expenses</b> .....	19
Subscription Fee.....	20
Insurance Charges .....	20
Contract Maintenance Charge.....	20
Transaction Fee .....	20
Investment Portfolio Expenses .....	20
Transfer Fee .....	20
Premium Taxes .....	20
Income Taxes .....	20
Contract Value .....	20
Accumulation Units .....	21
Access to Your Money.....	21
Systematic Withdrawal Program.....	21
Suspension of Payments or Transfers .....	21
<b>Death Benefit</b> .....	22
Upon Your Death During the Accumulation Period .....	22
Death Benefit Amount During the Accumulation Period .....	22
Payment of the Death Benefit During the Accumulation Period .....	22
Death of Contract Owner During the Annuity Period .....	22
Death of Annuitant .....	22
Annuity Payments (The Annuity Period).....	22

---

Annuity Payment Amount.....	23
Annuity Options.....	23
<b>Taxes</b> .....	23
Annuity Contracts in General .....	23
Tax Status of the Contracts.....	23
Taxation of Non-Qualified Contracts .....	23
Taxation of Qualified Contracts.....	24
Possible Tax Law Changes.....	25
<b>Other Information</b> .....	25
Legal Proceedings .....	25
Distributor .....	26
Financial Statements.....	26
Independent Registered Public Accounting Firm.....	26
<b>Appendix A—More Information About the Investment Portfolios</b> .....	27
<b>Appendix B – Condensed Financial Information</b> .....	45
<b>Privacy Policy</b> .....	64
<b>Table of Contents of the Statement of Additional Information</b> .....	65

---

## Definitions of Special Terms

Because of the complex nature of the Contract, We have used certain words or terms in this prospectus, which may need additional explanation. We have identified the following as some of these words or terms.

**ACCUMULATION PERIOD:** The period during which you invest money in your Contract.

**ACCUMULATION UNIT:** A measurement We use to calculate the value of the variable portion of your Contract during the Accumulation Period.

**ANNUITANT(S):** The natural person(s) on whose life (lives) We base Annuity Payments. On or after the Annuity Date, the Annuitant shall also include any joint Annuitant. In the event of joint Annuitants, the lives of both Annuitants are used to determine Annuity Payments.

**ANNUITY DATE:** The date on which Annuity Payments are to begin, as selected by you, or as required by the Contract or by state or federal law.

**ANNUITY OPTIONS:** Income plans which can be elected to provide periodic Annuity Payments beginning on the Annuity Date.

**ANNUITY PAYMENTS:** Periodic income payments provided under the terms of one of the Annuity Options.

**ANNUITY PERIOD:** The period during which We make income payments to you.

**ANNUITY UNIT:** A measurement We use to calculate the amount of Annuity Payments you receive from the variable portion of your Contract during the Annuity Period.

**BENEFICIARY:** The person designated to receive any benefits under the Contract if you or, in the case of a non-natural Owner, the Annuitant dies.

**BUSINESS DAY:** Generally, any day on which the New York Stock Exchange (“NYSE”) is open for trading. Our Business Day ends at 4:00 PM Eastern Time or the closing of regular trading on the NYSE, if earlier. Some of the Investment Options may impose earlier deadlines for trading. These deadlines are described in further detail under the heading “Purchase – Allocation of Purchase Payments”.

**COMPANY:** Jefferson National Life Insurance Company, also referred to as Jefferson National, We, Us, and Our.

**CONTRACT:** The Monument Advisor individual variable annuity contract, which provides variable investment options offered by the Company.

**CONTRACT ANNIVERSARY:** The anniversary of the Business Day you purchased the Contract.

**CONTRACT VALUE:** Your Contract Value is the sum of amounts held under your Contract in the various Sub-accounts of the Separate Account.

**DEATH BENEFIT AMOUNT:** The Death Benefit Amount is the amount payable to the Beneficiary upon the death of the Owner or for a Contract owned by a non-natural person the death of the Annuitant.

**FREE LOOK PERIOD:** The Free Look Period is the period of time within which you may cancel your Contract. This period of time is generally 10 days from receipt, but certain states require a longer period.

**INSURANCE CHARGES:** The Insurance Charges compensate Us for assuming certain insurance risks. The only Insurance Charge under the Contract is the Subscription Fee.

**INVESTMENT ADVISOR:** A registered investment adviser, an investment adviser who is exempt from registration with the Securities and Exchange Commission or other adviser selected by you to provide asset allocation and investment advisory services.

**INVESTMENT ALLOCATIONS OF RECORD:** The Investment Allocations of Record specify what percentage of each Purchase Payment is directed to the Sub-accounts you select. You initially establish your initial Investment Allocations of Record at the time you apply for the Contract. The Investment Allocations of Record can be changed by notifying Us in accordance with Our procedures. Any change in Investment Allocations of Record will apply to Purchase Payments received after the change of Investment Allocations of Record is processed.

**INVESTMENT OPTIONS:** The investment choices available to Owners. These choices include the Sub-accounts of the Separate Account.

**INVESTMENT PORTFOLIOS:** The variable Investment Options available under the Contract. Each Sub-account has its own investment objective and is invested in the underlying Investment Portfolio.

**JOINT OWNER:** The individual who co-owns the Contract with another person.

**NON-QUALIFIED (CONTRACT):** A Contract purchased with after-tax dollars. In general, these Contracts are not issued in conjunction with any pension plan, specially sponsored program or individual retirement account (“IRA”).

**OWNER:** You, the purchaser of the Contract are the Owner.

**PURCHASE PAYMENT:** The money you give Us to buy the Contract, as well as any additional money you give Us to invest in the Contract after you own it.

**QUALIFIED (CONTRACT):** A Contract purchased with pretax dollars. These Contracts are generally purchased under a pension plan, specially sponsored program or IRA.

**REGISTERED REPRESENTATIVE:** A person, appointed by Us, who is licensed by the Financial Industry Regulatory Authority (“FINRA”) to sell variable products and is sponsored by a FINRA member broker/dealer that is party to a selling group agreement with the Company.

**SECURE ONLINE ACCOUNT:** Your Secure Online Account is a password protected electronic account through which you can access personal documents relating to your Contract, such as transaction confirmations, periodic account statements and other personal correspondence. You create your Secure Online Account by going to our Website after you purchase the Contract and we maintain it for you on our Website thereafter.

**SEPARATE ACCOUNT:** Jefferson National Life Annuity Account G of Jefferson National Life Insurance Company, which invests in the Investment Portfolios.

**SUB-ACCOUNT:** A segment within the Separate Account which invests in a single Investment Portfolio.

**SUBSCRIPTION FEE:** \$20 per month fee charged by us to issue

---

and administer the Contract.

**TAX DEFERRAL:** Benefit provided by the Contract under which earnings and appreciation on the Purchase Payments in your Contract are not taxed until you take them out of the Contract either in the form of a withdrawal, income payments or the payment of a death benefit.

**TRANSACTION FEE:** Fee imposed by the Company for contributions and transfers into and withdrawals and transfers

out of certain Investment Portfolios. See “Expenses – Transaction Fee” for further details, including a list of the Investment Portfolios that impose a Transaction Fee.

**WEBSITE:** [www.jeffnat.com](http://www.jeffnat.com), which is the website of Jefferson National Life Insurance Company. You may obtain information about your Contract and request certain transactions through the Website.

---

## Highlights

The variable annuity Contract that We are offering is a Contract between you (the Owner) and Us (the insurance company). The Contract provides a way for you to invest on a tax-deferred basis in the Sub-accounts of Jefferson National Life Annuity Account G (Separate Account). We may enter into certain arrangements under which We are reimbursed by the Investment Portfolios' advisers, distributors and/or affiliates for the administrative or distribution services which We provide to the Investment Portfolios. The Contract is intended to be used to accumulate money for retirement or other long-term tax-deferred investment purposes.

The Contract charges no insurance fees other than the Subscription Fee imposed during the Accumulation Period and Annuity Period. You do pay any applicable Transaction Fees, as well as the fees of the Investment Portfolios you select and any Investment Advisor you retain.

The Contract includes a death benefit that is equal to your account value. This benefit is described in detail under the heading "Death Benefit."

All deferred annuity contracts, like the Contract, have two periods: the Accumulation Period and the Annuity Period. During the Accumulation Period, any earnings accumulate on a tax-deferred basis and are taxed as ordinary income when you make a withdrawal. The Annuity Period occurs when you begin receiving regular Annuity Payments from your Contract. Under the terms of the Contract, you may not enter the Annuity Period until two (2) years from the date you purchase the Contract. This time period may vary by state.

You can choose to receive Annuity Payments on a variable basis, on a fixed basis or a combination of both. If you choose variable Annuity Payments, the amount of the variable Annuity Payments will depend upon the investment performance of the Investment Portfolios you select for the Annuity Period. If you choose fixed Annuity Payments, the amount of the fixed Annuity Payments are constant for the entire Annuity Period.

**FREE LOOK.** If you cancel the Contract within 10 days after receiving it (or whatever longer time period is required in your state), We will cancel the Contract. You will receive whatever your Contract is worth on the day We receive your request for cancellation. This may be more or less than your original payment. We will return your original payment if required by law. Jefferson National deems this period as ending 15 days after it mails a Contract.

**TAX PENALTY.** In general, the earnings in your Contract are not taxed until you take money out of your Contract. If you are younger than age 59 1/2 when you take money out, you may be charged a 10% federal tax penalty on the amount treated as income. For Non-Qualified Contracts, Annuity Payments during the Annuity Period are considered partly a return of your original investment. The part of each Annuity Payment that is a return of your investment is not taxable as income. Once you have recovered the full amount of your investment, however, the entire amount of your Annuity Payment will be taxable income to you. For Qualified

Contracts, the full Annuity Payment is taxable.

### *IMPORTANT INFORMATION CONCERNING YOUR MONUMENT ADVISOR CONTRACT.*

Upon purchase of the Contract, you can only access documents relating to the Contract and the Investment Portfolios electronically. Regular and continuous Internet access is required to access electronically all documents relating to the Contract and the Investment Portfolios. You should not invest and continue to receive documents electronically if you do not have regular and continuous Internet access.

After purchase, either at the time of application or later, you may elect to receive in paper via U.S. mail all documents relating to the Contract and the Investment Portfolios by revoking your electronic consent. We will also honor a request to deliver a specific document in paper even though electronic consent has not been revoked.

For Owners using electronic communications, current prospectuses and all required reports for the Contract and the Investment Portfolios are available at our Website. While we will notify you via email when a transaction pertaining to your Contract has occurred or a document impacting your Contract has been posted, you should visit the Website regularly. We post updated prospectuses for the Contract and the Investment Portfolios on our Website on or about May 1 of each year. Prospectuses also may be supplemented throughout the year and will be available on the Website, which you should visit regularly. We post Annual Reports and Semi-Annual Reports on our Website on or about March 1 and September 1, respectively, each year. For your reference, we archive out-of-date Contract prospectuses. We have no present intention of deleting any archived Contract prospectus, however, we reserve the right to do so at any time upon 30 days' notice to your Secure Online Account. Investment Portfolio prospectuses will be available for 30 days after the subsequent May 1 annual update. Investment Portfolio Annual and Semi-Annual Reports will be available for 30 days after the subsequent March 1 annual update. You will not have electronic access through our Website to Investment Portfolio prospectuses or Annual and Semi-Annual Reports after we remove them from the Website. Accordingly, you should consider printing them before they are removed. Alternatively, we will provide copies of them upon request.

We will deliver all other documents electronically to your Secure Online Account. Checking your Secure Online Account regularly will give you an opportunity to prevent multiple fraudulent transactions. We deliver transaction confirmations at or before the completion of your transactions. We deliver account statements on a quarterly basis (that is, shortly after March 31, June 30, September 30 and December 31 of each year). Under certain circumstances, your account statement may serve as the confirmation for transactions you made during the quarter covered by the statement. Proxy statements and other correspondence may be delivered at any time.

---

We will allow you to have access to your Secure Online Account even after you revoke your consent to our electronic delivery of documents or surrender or exchange your Contract. However, we reserve the right to delete your Secure Online Account upon 30 days' notice, which we will deliver to your Secure Online Account. Upon receipt of such a notice, you should consider printing the information held in your Secure Online Account. Upon request, we will provide paper copies of any deleted document.

We have no present intention of deleting documents from your Secure Online Account. If, however, we decide to do so, we will provide you with at least 30 days' notice in your

Secure Online Account so that you will have an opportunity to print the documents that are subject to deletion.

*TRANSACTION FEE.* The Company imposes a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios. For further information, see "Expenses – Transaction Fee".

*INQUIRIES.* If you need more information, please contact Us at:

Jefferson National Life Insurance Company  
P.O. Box 36840  
Louisville, Kentucky 40233  
(866) 667-0561

## Fee Table

The following tables describe the fees and expenses that you will pay when buying, owning and surrendering the Contract. The first table describes the fees and expenses that you will pay at the time you buy the Contract, surrender the Contract, or transfer amounts between Investment Portfolios. State premium taxes may also be deducted.

### Owner Transaction Expenses

<b>Contingent Deferred Sales Charge</b> (as a None percentage of Purchase Payments withdrawn)																	
<b>Transfer Fee</b> <sup>1</sup> .....	Current Charge None	Maximum Charge \$25															
	No restrictions provided transfers comply with our administrative rules. We reserve the right to impose a fee, not to exceed \$25, for excessive transfers upon providing prior notice to you. This fee is different than the Transaction Fee described below.																
<b>Transaction Fee</b> <sup>2</sup> .....	The Company imposes a Transaction Fee, in the amounts shown below, for contributions, including initial contributions, and transfers into and withdrawals and transfers out of certain Investment Portfolios. Only transactions involving those Investment Portfolios for which the Company imposes a Transaction Fee are counted for purposes of determining the number of transactions per Contract year. A listing of the Investment Portfolios for which the Company imposes a Transaction Fee is set forth in "Expenses – Transaction Fee", and is also available at the Company's Website or upon request. The Company may increase the Transaction Fee, or modify the table below. However, the Transaction Fee may not be increased to an amount greater than the maximum charge shown.																
	<table border="1"> <thead> <tr> <th></th> <th>Current Charge</th> <th>Maximum Charge</th> </tr> </thead> <tbody> <tr> <td>Transactions 1-10 per Contract year</td> <td>\$49.99/transaction</td> <td>\$74.99/transaction</td> </tr> <tr> <td>Transactions 11-20 per Contract year</td> <td>\$39.99/transaction</td> <td>\$74.99/transaction</td> </tr> <tr> <td>Transactions 21-30 per Contract year</td> <td>\$29.99/transaction</td> <td>\$74.99/transaction</td> </tr> <tr> <td>Transactions 31+ per Contract year</td> <td>\$19.99/transaction</td> <td>\$74.99/transaction</td> </tr> </tbody> </table>			Current Charge	Maximum Charge	Transactions 1-10 per Contract year	\$49.99/transaction	\$74.99/transaction	Transactions 11-20 per Contract year	\$39.99/transaction	\$74.99/transaction	Transactions 21-30 per Contract year	\$29.99/transaction	\$74.99/transaction	Transactions 31+ per Contract year	\$19.99/transaction	\$74.99/transaction
	Current Charge	Maximum Charge															
Transactions 1-10 per Contract year	\$49.99/transaction	\$74.99/transaction															
Transactions 11-20 per Contract year	\$39.99/transaction	\$74.99/transaction															
Transactions 21-30 per Contract year	\$29.99/transaction	\$74.99/transaction															
Transactions 31+ per Contract year	\$19.99/transaction	\$74.99/transaction															

The next table describes the fees and expenses that you will pay periodically during the time that you own the Contract, not including the Investment Portfolios' fees and expenses.

	Current Charge	Maximum Charge
<b>Subscription Fee</b> .....	\$20 per Contract per month	\$20 per Contract per month
<b>Separate Account Annual Expenses</b> (as a percentage of Contract Value invested in the Investment Portfolios)		
Mortality and Expense Risk Charge .....	0.00%	0.00%
<b>Administrative Charge</b> .....	0.00%	0.00%
<b>Total Separate Account Annual Expenses</b> .....	0.00%	0.00%

The next item shows the minimum and maximum total operating expenses charged by the Investment Portfolios that you may pay periodically during the time that you own the Contract. More detail concerning each Investment Portfolio's fees and expenses is contained in the prospectus for each Investment Portfolio.

	Minimum	Maximum
<b>Total Investment Portfolio Operating Expenses</b> (expenses that are deducted from Investment Portfolio assets, including management fees, distribution and/or service (12b-1) fees, and other expenses) <sup>3</sup> .....	Gross: 0.14% Net: 0.14%	Gross: 44.96% Net: 3.83%

<sup>1</sup> All reallocations made on the same day involving the same Investment Portfolio count as one transfer. Certain restrictions apply as further described under the heading "Transfers – Excessive Trading Limits" and "Transfers – Short Term Trading Risk".

<sup>2</sup> All transactions made on the same day involving the same Investment Portfolio will result in one Transaction Fee.

<sup>3</sup> The minimum and maximum total Investment Portfolio Operating Expenses may be affected by voluntary or contractual waivers or expense reimbursements. These waivers and expense reimbursements will reduce the actual Total Portfolio Operating Expenses for the affected Investment Portfolios. Please refer to the underlying Investment Portfolio prospectuses for details about the specific expenses of each Investment Portfolio. The net numbers displayed above reflect the minimum and maximum charges after contractual waivers that have been committed through at least April 30, 2009. The gross numbers reflect the minimum and maximum charges without giving effect to the agreed upon waivers.

---

### Examples of Fees and Expenses –

This Example is intended to help you compare the cost of investing in the Contract with the cost of investing in other variable annuity contracts. These costs include Owner transaction expenses, Contract fees, Separate Account annual expenses, and Investment Portfolio fees and expenses.

The Example assumes that you invest \$10,000 in the Contract for the time periods indicated and that your investment has a 5% return each year. Because there are no charges upon surrender or annuitization, your costs will be the same for the time periods shown whether you surrender, annuitize or continue to own the Contract. For purposes of this example, we have assumed the money is invested in Investment Portfolios for which no Transaction Fee is charged. For a description of the Transaction Fee, see “Expenses – Transaction Fee”. We used \$20.00 per month as the contract charge, but converted it to an asset based charge based on the average contract size as of the previous December 31. This conversion causes the contract charge in the example below to be less than \$240 annually. Although your actual costs may be higher or lower, based on these assumptions and those that follow, your costs would be:

(1) Assuming Contract charges and maximum Investment Portfolio operating expenses:

1 year	3 years	5 years	10 years
\$395.63	\$7680.80	\$10295.92	\$11647.27

(2) Assuming Contract charges and minimum Investment Portfolio operating expenses:

1 year	3 years	5 years	10 years
\$26.63	\$83.74	\$146.38	\$330.83

### Condensed Financial Information

Appendix B to this prospectus contains tables that show Accumulation Unit values and the number of Accumulation Units outstanding for each of the Sub-accounts of the Separate Account. The financial data included in the tables should be read in conjunction with the financial statements and the related notes that are in the Statement of Additional Information.

---

## The Company

Jefferson National Life Insurance Company (Jefferson National) was originally organized in 1937. Prior to May 1, 2003, Jefferson National was known as Conseco Variable Insurance Company and prior to October 7, 1998, We were known as Great American Reserve Insurance Company.

We are principally engaged in the life insurance business in 49 states and the District of Columbia. We are a stock company organized under the laws of the state of Texas and are a subsidiary of Jefferson National Financial Corp.

The obligations under the Contracts are obligations of Jefferson National Life Insurance Company.

### The Monument Advisor Variable Annuity Contract

This prospectus describes The Monument Advisor Variable Annuity Contract offered by Jefferson National. An annuity is a contract between you, the Owner, and Us. Until you decide to begin receiving Annuity Payments, your Contract is in the Accumulation Period. Once you begin receiving Annuity Payments, your Contract switches to the Annuity Period.

The Contract benefits from tax-deferral. Tax-deferral means that you are not taxed on any earnings or appreciation on the assets in your Contract until you take money out of your Contract. The Contracts may be issued in conjunction with certain plans qualifying for special income tax treatment under the Code. You should be aware that this annuity will fund a retirement plan that already provides tax deferral under the Code. In such situations where you are already in a qualified plan, the tax deferral of the annuity does not provide additional benefits. In addition, you should be aware that there are fees and charges in an annuity that may not be included in other types of investments, which may be more or less costly. However, the fees and charges under the Contract are also designed to provide for certain payment guarantees and features other than tax deferral that may not be available through other investments. These features are explained in detail in this prospectus. You should consult with your tax or legal adviser to determine if the Contract is suitable for your tax qualified plan.

The Contract is called a variable annuity because you can choose among several Investment Portfolios and, depending upon market conditions, you can make or lose money in any of these Investment Portfolios. The amount of money you are able to accumulate in your Contract during the Accumulation Period depends upon the investment performance of the Investment Portfolio(s) you select.

You can choose to receive Annuity Payments on a variable basis, fixed basis or a combination of both. If you choose variable payments, the amount of the Annuity Payments you receive will depend upon the investment performance of the Investment Portfolio(s) you select for the Annuity Period. If you elect to receive payments on a fixed basis, the Annuity Payments you receive will remain level for the period of time selected.

### Free Look

If you change your mind about owning the Contract, you can cancel it within 10 days after receiving it (or whatever period is required in your state). Our Insurance Charges and Investment Portfolio operating expenses, along with any applicable Transaction Fees, will have been deducted. On the

day We receive your request We will return your Contract Value. In some states, We may be required to refund your Purchase Payment. Jefferson National deems this period as ending 15 days after it mails a Contract.

**OWNER.** You, as the Owner of the Contract, have all the rights under the Contract. The Owner is as designated at the time the Contract is issued, unless changed. You can change the Owner at any time. A change will automatically revoke any prior Owner designation. You must notify Us in writing. We will not be liable for any payment or other action We take in accordance with the Contract before We receive notice of the change.

*A change of Owner may be a taxable event.*

**JOINT OWNER.** A Non-Qualified Contract can be owned by Joint Owners. Upon the death of either Joint Owner, the surviving Joint Owner will be the primary Beneficiary. Any other Beneficiary designation on record at the time of death will be treated as a contingent Beneficiary unless you have previously notified Us in writing otherwise.

**BENEFICIARY.** The Beneficiary is the person(s) or entity you name to receive any Death Benefit Amount. The Beneficiary is named at the time the Contract is issued. If no Beneficiary is designated, your estate will be the Beneficiary. Unless an irrevocable Beneficiary has been named, you can change the Beneficiary at any time before you die. We will not be liable for any payment or other action We take in accordance with the Contract before We receive notice of the change of Beneficiary.

### Assignment

Subject to applicable law, you can assign the Contract at any time during your lifetime. We will not be bound by the assignment until We receive the written notice of the assignment. We will not be liable for any payment or other action We take in accordance with the Contract before We receive notice of the assignment.

*An assignment may be a taxable event.*

If the Contract is a Qualified Contract, there are limitations on your ability to assign the Contract.

### Electronic Administration Of Your Contract

This Contract is designed to be administered electronically ("Electronic Administration"). You can access documents relating to the Contract and the Investment Portfolios online. If you consent to Electronic Administration, you will receive all documents electronically, unless you request, either at the time of application or later, a specific paper document, or revoke your consent to Electronic Administration. You may obtain paper copies of documents related to your Contract by printing them from your computer. We will honor a request to deliver a specific document in paper even though electronic consent has not been revoked.

If you elect Electronic Administration, you must have Internet access so that you can view your Secure Online Account and access all documents relating to the Contract and the Investment Portfolios. You should not elect Electronic Administration if you do not have Internet access. Although we will email you when a transaction relating to your Contract has occurred or a document impacting your Contract is posted, you should regularly check your Secure Online Account.

---

There is no substitute for regularly checking your Secure Online Account.

You may, however, elect to have documents related to your Contract also delivered via U.S. Mail to your address of record by withdrawing your consent to Electronic Administration. After your withdrawal of consent becomes effective, you will receive documents via U.S. Mail. We may also continue to send documents to your Secure Online Account. After you have withdrawn your consent to Electronic Administration, you may notify Us that you again consent to Electronic Administration. You may revoke or reinstate your consent to electronic delivery as often as you wish. You may do so by visiting the Website, by calling the Customer Service telephone number or by writing to us at the Jefferson National Service Center. You may also contact your financial advisor, who may initiate a change on your behalf. Notification of change made via the Website will be effective immediately. Notification by telephone or U.S. Mail will be processed as received, usually within two business days.

Current prospectuses and all required reports for the Contract and the Investment Portfolios are available at Our Website through your Secure Online Account. We post updated prospectuses for the Contract and the Investment Portfolios on Our Website on or about May 1 of each year. Prospectuses also may be supplemented throughout the year and will be available on the Website. We post Annual Reports and Semi-Annual Reports on Our Website on or about March 1 and September 1, respectively, each year. For your reference, We archive out-of-date Contract prospectuses. We have no present intention of deleting any archived Contract prospectus, however, We reserve the right to do so at any time upon 30 days' notice to your Secure Online Account. To the extent an archived Contract prospectus is no longer available on the Website, We will provide it upon request.

Investment Portfolio prospectuses will be available for 30 days after the subsequent May 1 annual update. Investment Portfolio Annual and Semi-Annual Reports will be available for 30 days after the subsequent annual update. You will not have electronic access through Our Website to archived Investment Portfolio prospectuses or Annual and Semi-Annual Reports after We remove them from the Website. Accordingly, you should consider printing them before they are removed. Upon request, we will send you a paper copy of these documents via U.S. mail.

We will send all other documents related to your Contract to your Secure Online Account, including, but not limited to, transaction confirmations, proxy statements, periodic account statements and other personal correspondence. You create your Secure Online Account when you purchase the Contract and We maintain it for you at Our Website.

You will have access to your Secure Online Account even after you revoke your consent to Our electronic delivery of documents or surrender or exchange your Contract. However, We reserve the right to delete your Secure Online Account upon 30 days' notice, which We will deliver to your Secure Online Account. Upon receipt of such a notice, you should consider printing the information held in your Secure Online Account. Upon request, we will provide paper copies of any deleted document.

We have no present intention of deleting documents from your Secure Online Account. If, however, We decide to do so, We will provide you with at least 30 days' notice to your Secure Online Account so that you will have an opportunity to print the documents that are subject to deletion.

#### **Confirmations and Statements**

We will send a confirmation statement to your Secure Online Account each time you change your Investment Allocations of Record, we receive a new Purchase Payment from you, you make a transfer among the Investment Portfolios, or you make a withdrawal. Generally, We deliver transaction confirmations at or before the completion of your transactions. However, the confirmation for a new Purchase Payment or transfer of Contract Value may be an individual statement or may be part of your next quarterly account statement. You should review your confirmation statements to ensure that your transactions are carried out correctly. If you fail to do so, you risk losing the opportunity to ask us to correct an erroneous transaction. We deliver account statements to your Secure Online Account on a quarterly basis (that is, shortly after March 31, June 30, September 30 and December 31 of each year), or in paper via U.S. mail if you have withdrawn your consent to Electronic Administration or otherwise request a specific confirmation or statement. Under certain circumstances, your account statement may serve as the confirmation for transactions you made during the quarter covered by the statement. Proxy statements and other correspondence may be delivered at any time. If you have questions, you can either go to Our Website and click on "Contact Us" for secure online correspondence or you can e-mail Us at [service@jeffnat.com](mailto:service@jeffnat.com) or call Us at (866) 667-0561.

#### **Requesting Transactions or Obtaining Information About your Contract**

You may request transactions or obtain information about your Contract by submitting a request to Us in writing via U.S. Mail. Subject to Our administrative rules and procedures, We may also allow you to submit a request through other means.

**TELEPHONE AND WEBSITE TRANSACTIONS.** You can elect to request certain transactions and receive information about your Contract by telephone or through our Website ([www.jeffnat.com](http://www.jeffnat.com)). All transaction requests are processed subject to Our administrative rules and procedures.

We will accept transaction requests from your Registered Representative and/or your Investment Advisor. You can also authorize someone else, via submitting a power of attorney in good order, to request transactions for you. If you own the Contract with a Joint Owner, unless We are instructed otherwise, We will accept instructions from and provide information to either you or the other Owner.

We will use reasonable procedures to confirm that instructions given to Us by telephone are genuine. All telephone calls will be recorded and the caller will be asked to produce personalized data about the Owner before We will make the telephone transaction. We will post confirmations of all transactions to your Secure Online Account. We will not send confirmation of any transaction to you in paper, unless you have elected to receive paper documents via U.S. mail. If We fail to use such procedures We may be liable for any losses due to unauthorized or fraudulent instructions.

**SECURITY OF ELECTRONIC COMMUNICATIONS WITH US.** Our Website uses generally accepted and available encryption software and protocols, including Secure Socket Layer. This is to prevent unauthorized people from eavesdropping or intercepting information you send or receive from Us. This may require that you use certain readily available versions of web browsers. As new security software or other technology becomes available, We may enhance Our systems.

You will be required to provide your user ID and password to access your Secure Online Account and perform transactions at Our Website. Do not share your password with anyone else. We will honor instructions from any person who provides correct identifying information, and We may not be responsible for fraudulent transactions We believe to be genuine based on these procedures. Accordingly, you may bear the risk of loss if unauthorized persons conduct any transaction on your behalf. You can reduce this risk by checking your Secure Online Account regularly which will give you an opportunity to prevent multiple fraudulent transactions.

Avoid using passwords that can be guessed and consider changing your password frequently. Our employees or representatives will not ask you for your password. It is your responsibility to review your Secure Online Account and to notify Us promptly of any unauthorized or unusual activity. We only honor instructions from someone logged into Our secure Website using a valid user ID and password. We cannot guarantee the privacy or reliability of e-mail, so We will not honor requests for transfers or changes received by e-mail, nor will We send account information through e-mail. All transfers or changes should be made through Our secure Website. If you want to ensure that Our encryption system is operating properly, go to the icon that looks like a “locked padlock.” This shows that encryption is working between your browser and Our web server. You can click or double-click on the padlock to get more information about the server. When you click the “view certificate” button (in Netscape) or the “subject” section (in Internet Explorer), you should see “secure.jeffnat.com” listed as the owner of the server you are connected to. This confirms that you are securely connected to Our server.

## **Purchase**

### **Purchase Payments**

A Purchase Payment is the money you give Us to buy the Contract. You can make Purchase Payments at any time before the Annuity Date. The minimum initial Purchase Payment We will accept is \$25,000 whether the Contract is bought as a Non-Qualified Contract or as part of a Tax-Sheltered Annuity or an Individual Retirement Annuity (IRA). The maximum We accept is \$10,000,000 without Our prior approval and will be subject to such terms and conditions as We may require. Jefferson National reserves the right to refuse any Purchase Payment or not issue any Contract.

Subject to the maximum described above, you can make additional Purchase Payments of any amount. However, we reserve the right to impose minimums on future Purchase Payments.

### **Allocation of Purchase Payments**

You control where your Purchase Payments are invested.

When you purchase a Contract, We will allocate your Purchase Payment according to your Investment Allocation of Record, which you can change at any time for future Purchase Payments. When you make additional Purchase Payments, We will allocate them based on the Investment Allocations of Record in effect when We receive the Purchase Payment. Allocation percentages must be in whole numbers. The Company imposes a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios in the accumulation period and during the annuity period. See “Expenses – Transaction Fee” for further details.

Once We receive your Purchase Payment and the necessary information, We will issue your Contract and allocate your first Purchase Payment within 2 Business Days. If you do not provide Us all of the information needed, We will contact you. If for some reason We are unable to complete this process within 5 Business Days, We will either send back your money or get your permission to keep it until We get all of the necessary information. The method of payment (*e.g.*, check, wire transfer, electronic funds transfer) may affect when your Purchase Payment is received by Us. If you add more money to your Contract by making additional Purchase Payments, We will credit these amounts to your Contract as of the Business Day We receive your Purchase Payment. Our Business Day closes when the New York Stock Exchange closes, usually 4:00 P.M. Eastern time. Unlike the other Investment Portfolios available under your Contract, all transactions involving the Rydex Investment Portfolios listed below must be received no later than 15 or 30 minutes before the New York Stock Exchange closes, *i.e.*, 3:30 P.M. or 3:45 P.M. Eastern Time based on the usual 4:00 P.M. Eastern Time close. Any transaction involving a Rydex Investment Portfolio received after the applicable cut-off time set forth in the chart below, including a transfer request involving any other Investment Portfolio not listed or any Investment Portfolio with an earlier cut-off time, will be processed on the next Business Day.

<b>15 Minutes Before NYSE Close</b>		
Dow 2x Strategy	NASDAQ-100® 2x Strategy	Russell 2000® 2x Strategy
S&P 500 2x Strategy	Strengthening Dollar 2x Strategy	Weakening Dollar 2x Strategy
Europe 1.25x Strategy	Government Long Bond 1.2x Strategy	Inverse Dow 2x Strategy
Inverse Government Long Bond	Inverse Mid-Cap Strategy	NASDAQ-100® Strategy
Inverse Russell 2000® Strategy	Inverse S&P 500 Strategy	Japan 1.25x Strategy
Large-Cap Growth	Large-Cap Value	Mid Cap 1.5x Strategy
Mid-Cap Growth	Mid-Cap Value	Nova
NASDAQ-100® Strategy	Russell 2000 1.5x Strategy	Small-Cap Growth
Small-Cap Value	U.S. Govt Money Mkt	
<b>30 Minutes Before NYSE Close</b>		
Banking	Basic Materials	Biotechnology
Commodities Strategy	Consumer Products	Electronics

Energy	Energy Services	Financial Services
Health Care	Internet	Leisure
Precious Metals	Real Estate	Retailing
Technology	Telecommunication	Transportation
Utilities		

Similarly, any transaction involving the DireXion Dynamic VP HY Bond Fund received after 2:00 P.M., including a transfer request involving the DireXion Dynamic VP HY Bond Fund and any other Investment Portfolio, will be processed on the next Business Day.

## Investment Options

### Investment Portfolios

The Contract offers several Sub-accounts, each of which invests exclusively in an Investment Portfolio listed at the beginning of this prospectus. During the Accumulation Period, money you invest in the Sub-accounts may grow in value, decline in value, or grow less than you expect, depending on the investment performance of the Investment Portfolios in which those Sub-accounts invest. You bear the investment risk that those Investment Portfolios might not meet their investment objectives. Additional Investment Portfolios may be available in the future. If you elect variable Annuity Payments, during the Annuity Period, the variable portion of your Annuity Payment will vary based on the performance of the Investment Portfolios.

You should read the prospectuses for these Investment Portfolios carefully. Unless you have opted to receive documents relating to your Contract via U.S. mail, copies of these prospectuses will not be sent to you in paper. They are, however, available at Our Website. See Appendix A which contains a summary of investment objectives and strategies for each Investment Portfolio.

The investment objectives and policies of certain of the Investment Portfolios are similar to the investment objectives and policies of other mutual funds managed by the same investment advisers. Although the objectives and policies may be similar, the investment results of the Investment Portfolios may be higher or lower than the results of such other mutual funds. The investment advisers cannot guarantee, and make no representation that, the investment results of similar funds will be comparable even though the Investment Portfolios have the same investment advisers.

A significant portion of the assets of certain of the Investment Portfolios come from investors who take part in certain strategic and tactical asset allocation programs. These Investment Portfolios anticipate that investors who take part in these programs may frequently redeem or exchange shares of these Investment Portfolios, which may cause the Investment Portfolios to experience high portfolio turnover. Higher portfolio turnover may result in the Investment Portfolios paying higher levels of transaction costs. Large movements of assets into and out of the Investment Portfolios may also negatively impact an Investment Portfolio's ability to achieve its investment objective. In addition, the extent to which Contracts are owned by investors who engage in frequent redemptions or exchanges involving Investment Portfolios

which do not limit such activity may result in more redemption and exchange activity in other Investment Portfolios which impose limits on such activity. The adverse impact, if any, of such activity will be constrained by the limits those other Investment Portfolios impose on frequent redemption or exchange activity. Refer to the Investment Portfolios' prospectuses for more details on the risks associated with any specific Investment Portfolio.

Shares of the Investment Portfolios are offered in connection with certain variable annuity Contracts and variable life insurance policies of various life insurance companies, which may or may not be affiliated with Us. Certain Investment Portfolios are also sold directly to qualified plans. The funds do not believe that offering their shares in this manner will be disadvantageous to you.

### Administrative, Marketing and Support Services Fees

Jefferson National and the principal underwriter for the Contracts have arrangements with the investment advisor, subadvisor, distributor, and/or affiliated companies of most of the Investment Portfolios under which Jefferson National and the principal underwriter for the Contracts receive payments in connection with the provision of administrative, marketing or other support services to the Investment Portfolios. Proceeds of these payments may be used for any corporate purpose, including payment of expenses that the Company and the principal underwriter for the contracts incur in promoting, issuing, distributing and administering the contracts. The Company and its affiliates may profit from these fees.

The payments are generally based on a percentage of the average assets of each Investment Portfolio allocated to the investment options under the Contract or other contracts offered by the Company. The amount of the fee that an Investment Portfolio and its affiliates pay the Company and/or the Company's affiliates is negotiated and varies with each Investment Portfolio. Aggregate fees relating to the different Investment Portfolio may be as much as .50% of the average net assets of an Investment Portfolio attributable to the relevant contracts. This amount may change at any time without notice. A portion of these payments may come from revenue derived from the distribution and/or service fees (12b-1 fees) that are paid by an Investment Portfolio out of its assets as part of its total annual operating expenses.

Where the Company does not have an arrangement with an Investment Portfolio to receive payments for the provision of services, Transaction Fee proceeds may be used to pay expenses that the Company and the principal underwriter for the contracts incur in promoting, issuing, distributing and administering the contracts. The Company and its affiliates may profit from these fees.

**Fixed Account.** No fixed account is available during the Accumulation Period.

### Voting Rights

Jefferson National is the legal owner of the Investment Portfolio shares. However, when an Investment Portfolio solicits proxies in conjunction with a vote of its shareholders,

We will send you and other owners materials describing the matters to be voted on. You instruct Us how you want Us to vote your shares. When We receive those instructions, We will vote all of the shares We own and those for which no timely instructions are received in proportion to those instructions timely received. As a result of proportional voting, the vote of a small number of contract owners could determine the outcome of a proposal subject to a shareholder vote. Should We determine that We are no longer required to follow this voting procedure, We will vote the shares ourselves.

### **Substitution**

It may be necessary to discontinue one or more of the Investment Portfolios or substitute a new Investment Portfolio for one of the Investment Portfolios you have selected. New or substitute Investment Portfolios may have different fees and expenses and their availability may be limited to certain classes of purchasers. We will notify you of Our intent to do this. We will obtain any required prior approval from the Securities and Exchange Commission before any such change is made.

### **Transfers**

You can transfer money among the Investment Portfolios. The Company imposes a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios in the accumulation period and during the annuity period. See “Expenses – Transaction Fee” for further details. Transfers may be deferred as permitted or required by law. See “Suspension of Payments or Transfers” section below.

**TRANSFERS DURING THE ACCUMULATION PERIOD.** You can make a transfer to or from any Investment Portfolio. Transfers may be made by contacting Our administrative offices or through Our Website. Subject to Our administrative rules, including our Excessive Trading Limits and Short Term Trading Risk described below, you can make an unlimited number of transfers between the Investment Portfolios during the Accumulation Period. We reserve the right to impose a fee for excessive transfers after notifying you. We reserve the right to impose any fees charged by the Investment Portfolios for excessive transfers. The following apply to any transfer during the Accumulation Period:

1. Your request for a transfer must clearly state which Investment Portfolio(s) are involved in the transfer.
2. Your request for transfer must clearly state how much the transfer is for.
3. Your right to make transfers is subject to modification if We determine, in Our sole opinion, that the exercise of the right by one or more owners is, or would be, to the disadvantage of other owners. Restrictions may be applied in any manner reasonably designed to prevent any use of the transfer right, which is considered by Us to be to the disadvantage of other Owners. A modification could be applied to transfers to, or from, one or more of the Investment Portfolios and could include, but is not limited to:
  - a. the requirement of a minimum time period between each transfer;

- b. not accepting a transfer request from an agent acting under a power of attorney on behalf of more than one owner; or
  - c. limiting the dollar amount that may be transferred between Investment Portfolios by an Owner at any one time.
4. We reserve the right, at any time, and without prior notice to any party, to terminate, suspend or modify the transfer privilege during the Accumulation Period.

**TRANSFERS DURING THE ANNUITY PERIOD.** Subject to our administrative rules, you can make an unlimited number of transfers between the Investment Portfolios during the Annuity Period. We reserve the right to impose a fee for excessive transfers after notifying you. We reserve the right to impose any fees charged by the Investment Portfolios for excessive transfers. The following rules apply to any transfer during the Annuity Period:

1. No transfer can be made between the Fixed Account and the Investment Portfolios. You may only make transfers between the Investment Portfolios.
2. We reserve the right, at any time, and without prior notice to any party, to terminate, suspend or modify the transfer privilege during the Annuity Period.

*This product is not designed for professional market timing organizations. Jefferson National reserves the right to modify (including terminating) the transfer privileges described above.*

### **Excessive Trading Limits**

The Contracts are first and foremost annuity contracts, designed for retirement or other long-term financial planning purposes, and are not designed for market timers or persons that make frequent transfers. The use of such transfers can be disruptive to any underlying Investment Portfolio and harmful to other contract owners invested in the Investment Portfolio.

We reserve the right to limit transfers in any Contract year, or to refuse any transfer request for an Owner, Registered Representative, Investment Advisor or other third party acting under a Limited Power of Attorney, for any reason, including without limitation, if:

- We believe, in Our sole discretion, that excessive trading by the Owner, or a specific transfer request, submitted by a third party advisor, or a group of transfer requests, may have a detrimental effect on the Accumulation Unit values of any Sub-account or the share prices of any Investment Portfolio or would be detrimental to other Owners; or
- We are informed by one or more Investment Portfolios that they intend to restrict the purchase of Investment Portfolio shares because of excessive trading or because they believe that a specific transfer or group of transfers would have a detrimental effect on the price of Investment Portfolio shares; or
- the requested transaction violates Our administrative rules designed to detect and prevent market timing.

The restrictions imposed may include, but are not limited to, restrictions on transfers (e.g., by not processing requested transfers, limiting the number of transfers allowed, and/or the dollar amount, requiring holding periods, allowing transfer requests by U.S. Mail only, etc.) or even prohibitions on them

for particular owners who, in Our view, have abused or appear likely to abuse the transfer privilege. These restrictions do not apply to redemptions from the Contract.

We may apply restrictions in any manner reasonably designed to prevent transfers that we consider disadvantageous to other Owners. These excessive trading limits apply to all owners. However, using our processes and procedures, we may not detect all market timers, prevent frequent transfers, or prevent harm caused by excessive transfers. The difficulty in detecting market timing activity may have the effect of allowing some to engage in market timing activities while preventing others.

**SHORT-TERM TRADING RISK.** Frequent exchanges among Investment Portfolios by Owners can reduce the long-term returns of the underlying mutual funds. The reduced returns could adversely affect the owners, annuitants, insureds or beneficiaries of any variable annuity or variable life insurance contract issued by any insurance company with respect to values allocated to the underlying fund. Frequent exchanges may reduce the underlying fund's performance by increasing costs paid by the fund (such as brokerage commissions); they can disrupt portfolio management strategies; and they can have the effect of diluting the value of the shares of long term shareholders in cases in which fluctuations in markets are not fully priced into the fund's net asset value.

The insurance-dedicated mutual funds available through the Investment Portfolios are also available in products issued by other insurance companies. These funds carry a significant risk that short-term trading may go undetected. The funds themselves generally cannot detect individual contract owner exchange activity, because they are owned primarily by insurance company separate accounts that aggregate exchange orders from owners of individual contracts. Accordingly, the funds are dependent in large part on the rights, ability and willingness of all participating insurance companies to detect and deter short-term trading by contract owners.

As outlined below, we have adopted policies regarding frequent trading, but can provide no assurance that other insurance companies using the same underlying funds have adopted comparable procedures. There is also the risk that these policies and procedures concerning short-term trading will prove ineffective in whole or in part to detect or prevent frequent trading. The difficulty in detecting market timing activity may have the effect of allowing some to engage in market timing while preventing others. Please review the underlying funds' prospectuses for specific information about the funds' short-term trading policies and risks.

We have adopted policies and procedures with respect to frequent transfers. These policies apply to all Investment Portfolios except for Investment Portfolios that contain disclosure permitting active trading. As of the date of this prospectus, the only Investment Portfolios which permit active trading are those of the Rydex Variable Trust (other than Rydex Sector Rotation Fund, Rydex Absolute Return Strategies Fund, Rydex Alternative Strategies, Rydex Multi-Cap Core Equity Fund, Rydex Hedged Equity Fund, Rydex Essential Portfolio Conservative, Rydex Essential Portfolio

Aggressive, Rydex Essential Portfolio Moderate and Rydex International Rotation which do not permit active trading), the DireXion Dynamic VP HY Bond Fund, and the JNF Money Market Portfolio. This list may change any time without notice. Pursuant to this policy, we block trades that are the second transaction in a purchase and sale or sale and purchase involving the same Investment Portfolio in less than seven (7) days (or whatever greater time period is required by the Investment Portfolio). As of the date of this prospectus, We impose longer hold periods for the funds set forth in the following table.

<b>30 Day Hold</b>		
American Century VP Balanced	American Century VP Income & Growth	American Century VP Inflation Protection
American Century VP Large Company Value	American Century VP Ultra	American Century VP Value
American Century VP Vista	American Century VP International	Federated Capital Income Fund II
Federated High Income Bond Fund II	Federated International Equity Fund II	Federated Kaufmann Fund II
Federated Market Opportunity Fund II		
Legg Mason Aggressive Growth	Legg Mason Capital and Income	Legg Mason Fundamental Value
Legg Mason Global High Yield Bond	Legg Mason Large Cap Growth	Legg Mason Strategic Bond
Lord Abbett America's Value	Lord Abbett Bond Debenture	Lord Abbett Growth and Income
Lord Abbett International	Lord Abbett Large Cap Core	Rydex Absolute Return Strategies
Rydex Alternative Strategies	Rydex Commodities Strategy	Rydex Essential Portfolio Aggressive
Rydex Essential Portfolio Conservative	Rydex Essential Portfolio Moderate	Rydex Hedged Equity
Rydex International Rotation	Rydex Multi-Cap Core Equity	Rydex Sector Rotation
<b>60 Day Hold</b>		
Dreyfus International Value	Dreyfus Small Cap Stock Index	Dreyfus Socially Responsible Growth
Dreyfus Stock Index	Ibbotson Aggressive Growth ETF	Ibbotson Balanced ETF
Ibbotson Conservative	Ibbotson Growth	Ibbotson Income and Growth
AVS Listed Private Equity	Third Avenue Value	
Vanguard Balanced	Vanguard Capital Growth	Vanguard Diversified Value
Vanguard Equity Index	Vanguard International	Vanguard Short Term Investment Grade
Vanguard Small Company Growth	Vanguard Total Bond Market	Vanguard Total Stock Market
<b>90 Day Hold</b>		
AllianceBernstein Growth and Income	Alliance Bernstein International Growth	Alliance Bernstein International Value
Alliance Bernstein Small Cap Growth	Alliance Bernstein Small/Mid Cap Value	Janus Aspen Balanced
Janus Aspen Forty	Janus Aspen Global Life Science	Janus Aspen Growth and Income
Janus Aspen INTECH Risk-Managed Core	Janus Aspen INTECH Risk-Managed Growth	Janus Aspen International Growth
Janus Aspen Large Cap Growth	Janus Aspen Mid Cap Growth	Janus Aspen Mid Cap Value
Janus Aspen Small Company Value	Janus Aspen Worldwide Growth	

This list may change at any time without notice. If only one

portion of a transfer request involving multiple Investment Portfolios violates our policy, the entire transfer request is blocked.

We monitor transfers and impose these rules across multiple Contracts owned by the same owner. Thus, if you own two Contracts and make a purchase in an Investment Portfolio in Contract 1, you will have to wait at least seven (7) days (or such greater time period as set forth in the table above) to make a sale in the same Investment Portfolio in Contract 2. With the exception of contributions to, and withdrawals from, the Contract, all transfers are monitored, including without limitation, systematic transfers such as dollar cost averaging, rebalancing, systematic contributions and systematic withdrawals. Transactions are not monitored if they are scheduled at least 7 days in advance. The statement of additional information contains more information about market timing arrangements, if any, and disclosure of Investment Portfolio securities holdings to individuals, if any.

If you (or your agent's) Website transfer request is restricted or denied, we will send notice via U.S. Mail.

#### **Dollar Cost Averaging Program**

The Dollar Cost Averaging Program (DCA Program) allows you to systematically transfer a set amount either monthly, quarterly, semi-annually or annually. By allocating amounts on a regular schedule as opposed to allocating the total amount at one particular time, you may be less susceptible to the impact of market fluctuations. However, this is not guaranteed.

Subject to Our administrative procedures, you may select the Business Day when dollar cost averaging transfers will occur. You can sign up for the DCA Program for a specified time period. The DCA Program will end when the value in the Investment Portfolio(s) from which you are transferring is zero. A transfer request will not automatically terminate the DCA Program.

There is no additional charge for the DCA Program. However, we reserve the right to charge for the DCA Program in the future. We reserve the right, at any time and without prior notice, to terminate, suspend or modify the DCA Program. The DCA Program may vary by state. The Company imposes a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios. For further information, see "Expenses – Transaction Fee". You should note that if the DCA Program utilizes Transaction Fee portfolios there may be significant Transaction Fees imposed.

Dollar cost averaging does not assure a profit and does not protect against loss in declining markets. Dollar cost averaging involves continuous investment in the selected Investment Portfolio(s) regardless of fluctuating price levels of the Investment Portfolio(s). You should consider your financial ability to continue the dollar cost averaging program through periods of fluctuating price levels.

#### **Rebalancing Program**

Once your money has been allocated among the Investment Portfolios, the performance of each Investment Portfolio may cause your allocation to shift. You can direct Us to automatically rebalance your Contract to return to your Investment Allocations of Record or some other allocation of

your choosing by selecting Our Rebalancing Program. When you elect the Rebalancing Program, you must specify the date on which you would like the initial rebalancing to occur and the frequency of the rebalancing (i.e. quarterly, semi-annually or annually). We will measure the rebalancing periods from the initial rebalancing date selected. You must use whole percentages in 1% increments for rebalancing. You can discontinue the Rebalancing Program at any time. You can modify rebalancing percentages for future rebalancing by submitting your request prior to the next rebalancing date. Currently, there is no charge for participating in the Rebalancing Program. We reserve the right, at any time and without prior notice to impose a fee, or to terminate, suspend or modify this program. The Company imposes a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios. For further information, see "Expenses – Transaction Fee".

EXAMPLE: Assume that you want your initial Purchase Payment split between 2 Investment Portfolios. You want 40% to be in the Fixed Income Investment Portfolio and 60% to be in the Growth Investment Portfolio. Over the next 2 1/2 months the bond market does very well while the stock market performs poorly. At the end of the first quarter, the Fixed Income Investment Portfolio now represents 50% of your holdings because of its increase in value. If you had chosen to have your holdings rebalanced quarterly, on the first day of the next quarter, Jefferson National would sell some of your units in the Fixed Income Investment Portfolio to bring its value back to 40% and use the money to buy more units in the Growth Investment Portfolio to increase those holdings to 60%.

#### **Advisory Fee Withdrawals**

Jefferson National understands the importance to you of having advice from a financial advisor regarding your investments in the Contract. Certain investment advisors have made arrangements with us to make their services available to you. Jefferson National has not made any independent investigation of these investment advisors and is not endorsing such programs. You may be required to enter into an advisory agreement with your Investment Advisor to have the fees paid out of your Contract during the Accumulation Period.

Jefferson National will, pursuant to an agreement with you, make a partial withdrawal from the value of your Contract to pay for the services of your Investment Advisor. If the Contract is Non-Qualified, the withdrawal will be treated like any other distribution and may be included in gross income for federal tax purposes. Further, if you are under age 59 1/2 it may be subject to a tax penalty. If the Contract is qualified, the withdrawal for the payment of fees may not be treated as a taxable distribution if certain conditions are met. You should consult a tax advisor regarding the tax treatment of the payment of investment advisor fees from your Contract.

#### **Expenses**

There are charges and other expenses associated with the Contract that reduce the return on your investment in the Contract. These charges and expenses are:

**Subscription Fee**

We charge the Subscription Fee regardless of the amount of your Contract Value. This fee is used to reimburse us for our various expenses in establishing and maintaining the contracts. This fee is deducted from the money market Investment Portfolios you are invested in, pro rata. If you have less than \$20 invested in the money market Investment Portfolios, then the remaining amount will be deducted from your non-money market Investment Portfolios, pro rata. We will deduct the Subscription Fee each month during the Accumulation Period and the Annuity Period. We also impose the fee at death and upon full surrender of the Contract.

**Insurance Charges**

We impose no other insurance charges.

**Contract Maintenance Charge**

We impose no other contract maintenance charge.

**Transaction Fee**

The Company imposes a Transaction Fee, in the amounts shown in the table below, for contributions, including initial purchase payments, and transfers into and withdrawals and transfers out of certain Investment Portfolios, including partial or complete withdrawals. This fee is used to recoup the cost of administering the transaction. The Transaction Fee will also apply to transactions in certain Investment Portfolios in connection with asset allocation, dollar cost averaging and systematic withdrawal programs. A listing of the Investment Portfolios for which the Company imposes a Transaction Fee is listed below, and is also available at the Company’s Website or upon request. The Transaction Fee is waived for redemptions required for payment of the Subscription Fee or fees charged by any Investment Advisor you hire. Transaction Fees are charged twice – once for the transfer out, and once for the transfer in – when transferring between two Investment Portfolios that impose Transaction Fees. The Transaction Fee will be deducted first from the Investment Portfolios affected, then pro-rata first from the balance of any money market portfolio(s), and then pro-rata from the balance of any other portfolio(s). If approved by us, you may elect to have these fees charged to your Investment Advisor, rather than deducted from your Contract. In the event we agree to this, but the applicable Transaction Fees are not paid within thirty (30) days by your Investment Advisor, we reserve the right to deduct the applicable Transaction Fees from your Contract. All applicable Transaction Fees are deducted from your Contract upon a request for full surrender.

Transactions 1-10 per Contract year	\$49.99\transaction
Transactions 11-20 per Contract year	\$39.99\transaction
Transactions 21-30 per Contract year	\$29.99\transaction
Transactions 31+ per Contract year	\$19.99\transaction

The Company may increase the Transaction Fee, or modify the table above. However, the Transaction Fee will never be greater than \$74.99 for a single transfer.

The Company charges the Transaction Fee for contributions and transfers into and transfers and withdrawals out of the following Investment Portfolios:

Transaction Fee Portfolios		
Nationwide VIT Bond Index	Nationwide VIT International Index	Nationwide VIT Mid Cap Index
Nationwide VIT S&P 500 Index	Nationwide VIT Small Cap Index	
Vanguard Balanced	Vanguard Capital Growth	Vanguard Diversified Value
Vanguard Equity Index	Vanguard International	Vanguard Short-Term investment Grade
Vanguard Small Company Growth	Vanguard Total Bond Market	Vanguard Total Stock Market

This list may change at any time without notice. The Investment Portfolios for which the Company charges a Transaction Fee may not be available in all states. Certain Transaction Fee Investment Portfolios may only be available if you have hired an Investment Advisor that is approved by such Investment Portfolio. We will provide a list of these Investment Portfolios upon request.

**Investment Portfolio Expenses**

There are deductions from and expenses paid out of the assets of the various Investment Portfolios, which are described in the Investment Portfolio prospectuses. The Investment Portfolio Expenses are included as part of Our calculation of the value of the Accumulation Units and the Annuity Units. We reserve the right to charge transfer fees imposed by the Investment Portfolios for excessive transfers.

**Transfer Fee**

Other than any applicable Transaction Fees described above, We impose no transfer fee for transfers made during the Accumulation Period or Annuity Period. We reserve the right to impose a fee, not to exceed \$25, for excessive transfers after notifying You in advance. Any such fee would be used to recoup the cost of administering the transfer.

**Premium Taxes**

Some states and other governmental entities (e.g., municipalities) charge premium taxes or similar taxes. We are responsible for the payment of these taxes and will make a deduction from the Contract Value for them. These taxes are due either when the Contract is issued or when Annuity Payments begin. It is Our current practice to deduct these taxes when Annuity Payments begin. Jefferson National may in the future discontinue this practice and assess the charge when the tax is due. Premium taxes currently range from 0% to 3.5%, depending on the jurisdiction.

**Income Taxes**

Jefferson National will deduct from the Contract for any income taxes which we incur because of the Contract. At the present time, we are not making any such deductions.

**Contract Value**

Your Contract Value is the sum of your assets in the Sub-

accounts of the Separate Account. The value of any assets in the Sub-accounts(s) will vary depending upon the investment performance of the Investment Portfolio(s) you choose. In order to keep track of your Contract Value in a Sub-account, we use a unit of measure called an Accumulation Unit. During the Annuity Period of your Contract we call the unit an Annuity Unit. Your Contract Value is affected by the investment performance of the Investment Portfolios, the expenses of the Investment Portfolios and the deduction of fees and charges under the Contract. If your Contract Value is zero, we reserve the right to surrender your Contract.

### **Accumulation Units**

Every Business Day, we determine the value of an Accumulation Unit for each of the Investment Portfolios by multiplying the Accumulation Unit value for the previous Business Day by a factor for the current Business Day. The factor is determined by dividing the value of a Sub-account share at the end of the current Business Day (and any charges for taxes) by the value of a Sub-account share for the previous Business Day.

The value of an Accumulation Unit may go up or down from Business Day to Business Day.

When you make a Purchase Payment, we credit your Contract with Accumulation Units. The number of Accumulation Units credited is determined by dividing the amount of the Purchase Payment allocated to a Sub-account, less any applicable Transaction Fees described above, by the value of the Accumulation Unit for that Sub-account on that Business Day. When you make a withdrawal, we deduct Accumulation Units from your Contract representing the withdrawal. We also deduct Accumulation Units when we deduct certain charges under the Contract. Whenever we use an Accumulation Unit value, it will be based on the value next determined after receipt of the request or the Purchase Payment.

We calculate the value of an Accumulation Unit for each Sub-account after the New York Stock Exchange closes each Business Day and then credit your Contract.

**EXAMPLE:** On Wednesday we receive an additional Purchase Payment of \$10,000 from you. You have told Us you want this to go to the Balanced Portfolio Investment Portfolio, which is not a Transaction Fee Investment Portfolio. When the New York Stock Exchange closes on that Wednesday, we determine that the value of an Accumulation Unit for the Balanced Portfolio Sub-account is \$12.50. We then divide \$10,000 by \$12.50 and credit your Contract on Wednesday night with 800 Accumulation Units for the Balanced Portfolio Sub-account.

### **Access To Your Money**

You can have access to the money in your Contract:

1. by making a withdrawal (either a partial or a complete withdrawal);
2. by electing to receive Annuity Payments; or
3. when a death benefit is paid to your Beneficiary.

Withdrawals can only be made during the Accumulation Period.

When you make a complete withdrawal, you will receive

the Contract Value on the Business Day you made the withdrawal, less any pro rata Subscription fees and less any applicable Transaction Fees.

You must tell Us which Investment Portfolios you want a partial withdrawal to come from. Under most circumstances, the amount of any partial withdrawal from any Investment Portfolio must be for at least \$500. There is no minimum required if the partial withdrawal is pursuant to our Systematic Withdrawal Program (see below). The Company imposes a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios. For further information, see “Expenses – Transaction Fee”.

Jefferson National will pay the amount of any withdrawal from the Investment Portfolios within 7 days of your request in good order unless the Suspension of Payments or Transfers provision (see below) is in effect.

A withdrawal may result in tax consequences (including an additional 10% tax penalty under certain circumstances).

### **Systematic Withdrawal Program**

The Systematic Withdrawal Program allows you to receive automatic payments either monthly, quarterly, semi-annually or annually. Subject to Our administrative procedures, you can instruct Us to withdraw a specific amount, which can be a percentage of the Contract Value, or a dollar amount. All systematic withdrawals will be withdrawn from the Investment Portfolios on a pro-rata basis, unless you instruct Us otherwise. You may elect to end the Systematic Withdrawal Program by notifying Us prior to the next systematic withdrawal. The Systematic Withdrawal Program will terminate automatically when the Contract Value is exhausted. We do not currently charge for the Systematic Withdrawal Program. The Company imposes a Transaction Fee for contributions and transfers into and withdrawals and transfers out of certain Investment Portfolios. For further information, see “Expenses – Transaction Fee”. You should note that if the Systematic Withdrawal program utilizes Transaction Fee portfolios there may be significant Transaction Fees imposed.

Income taxes, tax penalties and certain restrictions may apply to systematic withdrawals.

### **Suspension of Payments or Transfers**

We may be required to suspend or postpone withdrawals or transfers for any period when:

1. the New York Stock Exchange is closed (other than customary weekend and holiday closings);
2. trading on the New York Stock Exchange is restricted;
3. an emergency exists as a result of which disposal of shares of the Investment Portfolios is not reasonably practicable or we cannot reasonably value the shares of the Investment Portfolios;
4. during any other period when the SEC, by order, so permits for the protection of owners.

If mandated under applicable law, we may be required to reject a Purchase Payment and/or otherwise block access to an owner’s Contract and thereby refuse to pay any request for transfers, partial withdrawals, surrenders, or death benefits. Once blocked, monies would be held in that Contract until

instructions are received from the appropriate regulator.

## **Death Benefit**

### **Upon Your Death During the Accumulation Period**

If you, or your Joint Owner, die before Annuity Payments begin, we will pay a death benefit to your Beneficiary. If you have a Joint Owner, the surviving Joint Owner will be treated as the primary Beneficiary. Any other Beneficiary designation on record at the time of death will be treated as a contingent Beneficiary.

The Contract Value for purposes of calculating any Death Benefit Amount will be determined as of the Business Day we receive due proof of death and an election for the payment method (see below). After the Death Benefit Amount is calculated, it will remain in the Investment Portfolios until distribution begins. Until we distribute the Death Benefit Amount, the Death Benefit Amount in the Investment Portfolios will be subject to investment risk, which is borne by the Beneficiary. If you designate multiple beneficiaries, upon payment of the Death Benefit Amount to the first beneficiary, the remaining Death Benefit Amount will be placed in a money market account until we receive an election for the payment of the remaining Death Benefit Amount.

### **Death Benefit Amount During the Accumulation Period**

The Death Benefit Amount will be the Contract Value, less the Subscription Fee and any applicable Transaction Fees, at the time we receive due proof of death and a payment election.

### **Payment of the Death Benefit During the Accumulation Period**

Unless already selected by you, a Beneficiary must elect to have the Death Benefit Amount paid under one of the options described below in the event of the death of the Owner or Joint Owner during the Accumulation Period (including without limitation, non-qualified stretch options).

OPTION 1 —lump sum payment of the Death Benefit Amount; or

OPTION 2 —the payment of the entire Death Benefit Amount within 5 years of the date of death of the Owner or Joint Owner; or

OPTION 3 —payment of the Death Benefit Amount under an Annuity Option over the lifetime of the Beneficiary, or over a period not extending beyond the life expectancy of the Beneficiary, with distribution beginning within 1 year of the date of the death of the Owner or any Joint Owner.

Unless you have previously designated one of the payment options above a Beneficiary who is a spouse of the deceased Owner may elect to:

- continue the Contract in his or her own name at the then current Death Benefit Amount;
- elect a lump sum payment of the Death Benefit Amount; or
- apply the Death Benefit Amount to an Annuity Option.

If a lump sum payment is requested, the Death Benefit Amount will be paid within 7 days, unless the Suspension of Payments provision is in effect. Payment to the Beneficiary, in any other form than a lump sum, may only be elected during the 60 day period beginning with the date of receipt by Us of

due proof of death. A spousal Beneficiary may elect to continue the contract in his or her own name at the then current contract value.

### **Death of Contract Owner During the Annuity Period**

If you or a Joint Owner, who is not the Annuitant, dies during the Annuity Period, any remaining Annuity Payments under the Annuity Option elected will continue at least as rapidly as under the method of distribution in effect at the time of the Owner's or Joint Owner's death. Upon the Owner's death during the Annuity Period, the Beneficiary becomes the Owner. Upon the death of any Joint Owner during the Annuity Period, the surviving Owner, if any, will be treated as the primary Beneficiary. Any other Beneficiary designation on record at the time of death will be treated as a contingent Beneficiary.

### **Death of Annuitant**

If the Annuitant, who is not an Owner or Joint Owner, dies during the Accumulation Period, you, the Owner, will automatically become the Annuitant. A change of Annuitant by the Owner may result in a taxable event. You may designate a new Annuitant subject to Our approval. If the Owner is a non-natural person (for example, a corporation), then the death of the Annuitant will be treated as the death of the Owner, and a new Annuitant may not be named.

Upon the death of the Annuitant during the Annuity Period, the death benefit, if any, will be as provided for in the Annuity Option selected. The death benefit will be paid at least as rapidly as under the method of distribution in effect at the Annuitant's death.

### **Annuity Payments (The Annuity Period)**

Under the Contract you can receive regular income payments. We call these payments Annuity Payments. You can choose the date on which the Annuity Payments begin. We call that date the Annuity Date. The Annuitant is the person whose life we look to when we determine Annuity Payments.

You can select any Annuity Date provided it is a date after the end of the Free Look Period. The Annuity Date must be at least two (2) years after the Contract issue date (may vary by state), but may not be later than the maximum date permitted under applicable state law.

For a Contract held as an IRA, the Annuity Date may not be later than April 1 of the year after the year in which the Annuitant attains age 70 1/2.

You can also choose among income plans. We call those Annuity Options. You can select an Annuity Option. You can change it at any time prior to 30 days before the Annuity Date. If you do not choose an Annuity Option, we will assume that you selected Option 2 which provides a life annuity with 10 years of guaranteed payments.

During the Annuity Period, you can choose to have fixed Annuity Payments (these payments will come from Jefferson National's general account), variable Annuity Payments (these payments will be based on the performance of the Investment Portfolios) or a combination of both. If you choose a fixed Annuity Option, your Account Value is placed in our general account. Our general account is not registered under the

federal securities laws and it is generally not subject to its provisions. See your Contract for more information regarding the Fixed Account. If you do not tell Us otherwise, your Annuity Payments will be based on the investment allocations that were in place on the Annuity Date.

### **Annuity Payment Amount**

If you choose to have any portion of your Annuity Payments based on the performance of the Investment Portfolio(s), the dollar amount of your Annuity Payment will depend upon:

- 1) the Contract Value or the Death Benefit Amount (if the Annuity Option is selected to pay the Death Benefit Amount) applied to an Annuity Option on the Annuity Date;
- 2) the 3% or 5% (as you selected) assumed investment rate (AIR) performance used in the annuity table for the Contract;
- 3) the performance of the Investment Portfolio(s) you selected, less any applicable Transaction Fees; and
- 4) the Annuity Option you select.

No Transaction Fees are imposed when we make withdrawals to fund an Annuity Payment. Transaction Fees are incurred if you instruct us to transfer money into or transfer money out of Investment Portfolio(s) upon which we impose Transaction Fees. For further information, see “Expenses – Transaction Fee”.

You can choose either a 3% or a 5% assumed investment rate (AIR). If the actual performance exceeds the 3% or 5% (as you selected) AIR, your Annuity Payments will increase. Similarly, if the actual performance is less than 3% or 5% (as you selected) AIR, your Annuity Payments will decrease. Using a higher AIR results in a higher initial Annuity Payment, but later Annuity Payments will increase more slowly when the investment performance rises and decrease more rapidly when investment performance decreases.

On the Annuity Date, the Contract Value, less any premium tax, and less the Subscription Fee will be applied under the Annuity Option you selected.

Annuity Payments are made monthly unless you have less than \$5,000 to apply toward purchasing an Annuity Option. In that case, we may make a single lump sum payment to you instead of Annuity Payments. Likewise, if your Annuity Payments would be less than \$50 a month, we have the right to change the frequency of payments so that your Annuity Payments are at least \$50.

Unless you notify Us otherwise, we will pay the Annuity Payments to you. You can change the payee at any time prior to the Annuity Date. Income from any distribution will be reported to you for tax purposes.

### **Annuity Options**

You can choose one of the following Annuity Options or any other Annuity Option which is acceptable to Us. After Annuity Payments begin, you cannot change the Annuity Option.

**OPTION 1. INCOME FOR LIFE.** We will pay monthly Annuity Payments during the lifetime of the Annuitant. We will stop making payments when the Annuitant dies.

**OPTION 2. INCOME FOR LIFE WITH PAYMENT GUARANTEED**

**FOR A FIXED NUMBER OF YEARS.** We will make monthly Annuity Payments so long as the Annuitant is alive. However, when the Annuitant dies, if we have made Annuity Payments for less than the guaranteed period you selected (5, 10 or 20 years), we will then continue to make Annuity Payments to the Beneficiary for the rest of the guaranteed period. Annuity Payments to the Beneficiary will be made at least as rapidly as under the method of payment being used at the time of the Annuitant’s death. However, after the Annuitant dies, the Beneficiary may elect to receive a single lump sum payment which will be equal to the present value of the remaining Annuity Payments (as of the date of proof of death) discounted at the assumed investment rate (AIR) for a variable Annuity Option.

**OPTION 3. INCOME FOR A SPECIFIED PERIOD.** We will make monthly Annuity Payments for a fixed period of time (3 to 20 years). When the Annuitant dies, any amount remaining will be paid to the Beneficiary. Annuity Payments to the Beneficiary will be made at least as rapidly as under the method of payment being used at the time of the Annuitant’s death. However, the Beneficiary may elect to receive a single lump sum payment which will be equal to the present value of the remaining Annuity Payments (as of the date of proof of death) discounted at the assumed investment rate (AIR) for a variable Annuity Option.

**OPTION 4. JOINT AND SURVIVOR INCOME FOR LIFE.** We will make monthly Annuity Payments so long as the Annuitant and a joint Annuitant are both alive. When either of these people die, the amount of the Annuity Payments we will make to the survivor can be equal to 100%, 66% or 50% of the amount that we would have paid if both were alive.

### **Taxes**

*NOTE: Jefferson National has prepared the following information on taxes as a general discussion of the subject. Further information on taxes is contained in the Statement of Additional Information. It is not intended as tax advice to any individual. No attempt is made to consider any applicable state tax or other tax laws, or to address any federal estate, or state and local estate, inheritance and other tax consequences of ownership or receipt of distributions under a Contract. You should consult your tax adviser about your own circumstances.*

### **Annuity Contracts in General**

When you invest in an annuity contract, you usually do not pay taxes on your investment gains until you withdraw the money—generally for retirement purposes. If you invest in a variable annuity as part of a pension plan or employer-sponsored retirement program, your Contract is called a *Qualified Contract*. If your annuity is independent of any formal retirement or pension plan, it is termed a *Non-Qualified Contract*. The tax rules applicable to Qualified Contracts vary according to the type of retirement plan and the terms and conditions of the plan.

### **Tax Status of the Contracts**

Tax law imposes several requirements that variable annuities must satisfy in order to receive the tax treatment normally accorded to annuity contracts.

**Diversification Requirements.** The Internal Revenue Code (Code) requires that the investments of each investment division of the Variable Account underlying the Contracts be “adequately diversified” in order for the Contracts to be treated as annuity contracts for Federal income tax purposes. It is intended that each investment division, through the Investment Portfolio in which it invests, will satisfy these diversification requirements.

**Owner Control.** In certain circumstances, owners of variable annuity contracts have been considered for Federal income tax purposes to be the owners of the assets of the Variable Account supporting their contracts due to their ability to exercise investment control over those assets. When this is the case, the Contract owners have been currently taxed on income and gains attributable to the variable account assets. While We believe that the Contracts do not give owners investment control over Variable Account assets, We reserve the right to modify the Contracts as necessary to prevent an owner from being treated as the owner of the Variable Account assets supporting the Contract.

**Required Distributions.** In order to be treated as an annuity contract for Federal income tax purposes, Section 72(s) of the Code requires any Non-Qualified Contract to contain certain provisions specifying how your interest in the Contract will be distributed in the event of the death of an Owner of the Contract. The Non-Qualified Contracts contain provisions that are intended to comply with these Code requirements, although no regulations interpreting these requirements have yet been issued. We intend to review such provisions and modify them if necessary to assure that they comply with the applicable requirements when such requirements are clarified by regulation or otherwise.

Distributions from a Tax Sheltered Annuity, Individual Retirement Annuity, SEP IRA or Simple IRA must begin no later than April 1 of the calendar year following the calendar year in which the contract owner reaches age 70½. Distributions may be paid in a lump sum or in substantially equal payments over periods of time specified in the Code and applicable Treasury Regulations. The rules for Roth IRAs do not require distributions to begin during the Owner’s lifetime, therefore, the required beginning date is not applicable to Roth IRAs.

If the Owner dies before the required beginning date (in the case of a Tax Sheltered Annuity, Individual Retirement Annuity, SEP IRA or Simple IRA) or before the entire contract value is distributed (in the case of Roth IRAs), any remaining interest in the contract must be distributed over a period not exceeding the applicable distribution periods, which are discussed in the Statement of Additional Information.

For Individual Retirement Annuities, SEP IRAs and Simple IRAs, all or a portion of each distribution will be included in the recipient’s gross income and taxed at ordinary income tax rates. The portion of a distribution which is taxable is based on the ratio between the amount by which non-deductible purchase payments exceed prior non-taxable distributions and total account balances at the time of the distribution. The

owner of an Individual Retirement Annuity, SEP IRA or Simple IRA must annually report the amount of non-deductible purchase payments, the amount of any distribution, the amount by which non-deductible purchase payments for all years exceed non-taxable distributions for all years, and the total balance of all Individual Retirement Annuities, SEP IRAs or Simple IRAs. Distributions from Roth IRAs may be either taxable or nontaxable, depending upon whether they are “qualified distributions” or “non-qualified distributions”.

Other rules may apply to Qualified Contracts.

### **Taxation of Non-Qualified Contracts**

**Non-Natural Person.** If a non-natural person (e.g., a corporation or certain trusts) owns a Non-Qualified Contract, the taxpayer generally must include in income any increase in the excess of the Contract value over the investment in the Contract (generally, the Purchase Payments or other consideration paid for the Contract) during the taxable year. There are some exceptions to this rule and a prospective Owner that is not a natural person should discuss these with a tax adviser.

The following discussion generally applies to Contracts owned by natural persons.

**Withdrawals.** When a withdrawal from a Non-Qualified Contract occurs, the amount received will be treated as ordinary income subject to tax up to an amount equal to the excess (if any) of the Contract value immediately before the distribution over the Owner’s investment in the Contract (generally, the Purchase Payments or other consideration paid for the Contract, reduced by any amount previously distributed from the Contract that was not subject to tax) at that time. In the case of a surrender under a Non-Qualified Contract, the amount received generally will be taxable only to the extent it exceeds the Owner’s investment in the Contract.

**Penalty Tax on Certain Withdrawals.** In the case of a distribution from a Non-Qualified Contract, there may be imposed a federal tax penalty equal to ten percent of the amount treated as income. In general, however, there is no penalty on distributions:

- made on or after the taxpayer reaches age 59 1/2;
- made on or after the death of an Owner;
- attributable to the taxpayer’s becoming disabled; or
- made as part of a series of substantially equal periodic payments for the life (or life expectancy) of the taxpayer and the Beneficiary. If the series of substantially equal periodic payments is modified before the later of the Owner attaining age 59 ½ or five years from the date of the first periodic payment, then the tax for the year of the modification is increased by an amount equal to the tax which would have been imposed (the 10% penalty tax) but for the exception, plus interest for the tax years in which the exception was used.

Other exceptions may be applicable under certain circumstances and special rules may be applicable in connection with the exceptions enumerated above. Also, additional exceptions apply to distributions from a Qualified Contract. You should consult a tax adviser with regard to exceptions from the penalty tax.

**Annuity Payments.** Although tax consequences may vary

depending on the payout option elected under an annuity contract, a portion of each Annuity Payment is generally not taxed and the remainder is taxed as ordinary income. The non-taxable portion of an Annuity Payment is generally determined in a manner that is designed to allow you to recover your investment in the Contract ratably on a tax-free basis over the expected stream of Annuity Payments, as determined when Annuity Payments start. Once your investment in the Contract has been fully recovered, however, the full amount of each Annuity Payment is subject to tax as ordinary income.

**Taxation of Death Benefit Proceeds.** Amounts may be distributed from a Contract because of your death or the death of the Annuitant. Generally, such amounts are includible in the income of the recipient as follows: (i) if distributed in a lump sum, they are taxed in the same manner as a surrender of the Contract, or (ii) if distributed under a payout option, they are taxed in the same way as annuity payments.

**Transfers, Assignments or Exchanges of a Contract.** A transfer or assignment of ownership of a Contract, the designation of an Annuitant, the selection of certain maturity dates, or the exchange of a contract may result in certain tax consequences to you that are not discussed herein. An Owner contemplating any such transfer, assignment or exchange, should consult a tax advisor as to the tax consequences.

**Withholding.** Annuity distributions are generally subject to withholding for the recipient's federal income tax liability. Recipients can generally elect, however, not to have tax withheld from distributions.

**Multiple Contracts.** All Non-Qualified deferred annuity contracts that are issued by Us (or Our affiliates) to the same Owner during any calendar year are treated as one annuity contract for purposes of determining the amount includible in such Owner's income when a taxable distribution occurs.

### **Taxation of Qualified Contracts**

The tax rules applicable to Qualified Contracts vary according to the type of retirement plan and the terms and conditions of the plan. Your rights under a Qualified Contract may be subject to the terms of the retirement plan itself, regardless of the terms of the Qualified Contract. Adverse tax consequences may result if you do not ensure that contributions, distributions and other transactions with respect to the Contract comply with the law. The Statement of Additional Information contains a summary discussion of certain tax rules generally applicable to *Individual Retirement Accounts* (IRAs), as defined in Section 408 of the Code, *Roth IRAs*, as described in Code Section 408A, *corporate pension and profit-sharing plans* under Section 401(a) of the Code, *Tax Sheltered Annuities* under section 403(b) of the Code and *certain deferred compensation plans* under Code Section 457.

### **Possible Tax Law Changes**

Although the likelihood of legislative changes is uncertain, there is always the possibility that the tax treatment of the Contract could change by legislation or otherwise. Consult a tax adviser with respect to legislative developments and their effect on the Contract.

We have the right to modify the Contract in response to legislative changes that could otherwise diminish the favorable

tax treatment that Contract Owners currently receive. We make no guarantee regarding the tax status of any Contract and do not intend the above discussion as tax advice.

### **Other Information**

#### **Legal Proceedings**

Like other life insurance companies, there is a possibility that we may become involved in lawsuits. Currently, however, there are no legal proceedings to which the Separate Account is a party or to which the assets of the Separate Account are subject. Neither Jefferson National nor Jefferson National Securities Corporation, the distributor of the Contracts, is involved in any litigation that is of material importance in relation to their total assets or that relates to the Separate Account.

On August 9, 2004, Jefferson National and Inviva, Inc., a shareholder of Jefferson National, and its former parent, without admitting or denying any wrongdoing, settled an administrative proceeding with the Securities and Exchange Commission ("SEC") regarding disclosure of "market timing" arrangements which, to the greatest extent, involved The Monument variable annuity and, to a much lesser extent, the Advantage Plus variable annuity. The market timing arrangements were in place when Inviva acquired Jefferson National in October 2002 and were terminated in October 2003. Under the terms of the settlement, a \$5 million pool, \$1.5 million of which is characterized as a penalty, has been established for distribution to investors who have suffered losses by virtue of the market timing. This pool will be distributed in accordance with a methodology developed by an independent distribution consultant acceptable to the SEC.

On August 9, 2004, Jefferson National and Inviva submitted a Stipulation of Settlement to the New York Attorney General ("NYAG") based on the same set of facts, again without admitting or denying any wrongdoing. The settlement with NYAG recognizes the payments being made in connection with the SEC settlement and did not require Jefferson National or Inviva to make any additional payments.

#### **The Separate Account**

We established a separate account to hold the assets that underlie the Contracts. Jefferson National Life Annuity Account G serves the variable annuity portion of the Contract. Prior to May 1, 2003, the Separate Account was known as Conseco Variable Annuity Account G and prior to May 1, 1999, it was known as Great American Reserve Variable Annuity Account G. The Board of Directors of Jefferson National adopted a resolution to establish the Separate Account under Texas Insurance law on January 18, 1996. Jefferson National Life Annuity Account G is registered with the Securities and Exchange Commission as a unit investment trust under the Investment Company Act of 1940. Jefferson National Life Annuity Account G is divided into Sub-accounts. Registration under the 1940 Act does not involve the supervision by the SEC of the management or investment policies or practices of the Variable Account. The Separate Account is regulated by the Insurance Department of Texas. Regulation by the state, however, does not involve any supervision of the Separate Account, except to determine compliance with broad statutory criteria.

---

The assets of the Separate Account are held in Our name on behalf of the Separate Account and legally belong to Us. However, those assets that underlie the Contract are not chargeable with liabilities arising out of any other business we may conduct. All the income, gains and losses (realized or unrealized) resulting from these assets are credited to or charged against the Contracts and not against any other Contracts we may issue.

Where permitted by law, we may:

- create new Separate Accounts;
- combine separate accounts, including combining the Separate Account with another separate account established by the Company;
- transfer assets of the Separate Account, which we determine to be associated with the class of policies to which this policy belongs, to another separate account;
- transfer the Separate Account to another insurance company;
- add new Sub-accounts to or remove Sub-accounts from the Separate Account, or combine Sub-accounts;
- make the Sub-accounts available under other policies we issue;
- add new Investment Portfolios or remove existing Investment Portfolios;
- substitute new Investment Portfolios for any existing Investment Portfolio which we determine is no longer appropriate in light of the purposes of the Separate Account;
- deregister the Separate Account under the Investment Company Act of 1940; and
- operate the Separate Account under the direction of a committee or in another form.

#### **Distributor**

Jefferson National Securities Corporation (JNSC), 9920 Corporate Campus Drive, Suite 1000, Louisville, Kentucky 40223, acts as the distributor of the Contracts. JNSC is a broker-dealer registered under the Securities Exchange Act of 1934 and a member of the Financial Industry Regulatory

Authority. Sales of the Contracts may be made by registered representatives of broker-dealers authorized to sell the Contracts. The registered representatives of the broker-dealers will also be licensed insurance representatives of Jefferson National. See the Statement of Additional Information for more information.

We pay no Commissions to broker-dealers who sell the Contracts. Under certain circumstances, payments may be made to certain sellers, third party money managers, third party marketing organizations or Investment Advisors for other services not directly related to the sale of contracts.

#### **Financial Statements**

Our financial statements have been included in the Statement of Additional Information and should be considered only as bearing on the ability of the Company to meet its obligations under the Contracts. They should not be considered as bearing on the investment performance of the Investment Portfolios. The value of the Investment Portfolios is affected primarily by the performance of the underlying investments.

The financial statements of Jefferson National Life Annuity Account G are included in the Statement of Additional Information.

#### **Independent Registered Public Accounting Firm**

The statutory-basis financial statements of Jefferson National Life Insurance Company as of December 31, 2006 and 2007, and for each of the three years in the period then ended December 31, 2007, and the financial statements of Jefferson National Life Annuity Account G as of December 31, 2007 and for each of the two years in the period then ended December 31, 2007 appearing in this Statement of Additional Information have been audited by BDO Seidman LLP, Independent Registered Public Accounting Firm, as set forth in their reports thereon appearing elsewhere herein, and are included in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

---

## APPENDIX A

### — MORE INFORMATION ABOUT THE INVESTMENT PORTFOLIOS

Below is a summary of the investment objectives and strategies of each Investment Portfolio available under the Contract. *There can be no assurance that the investment objectives will be achieved.*

The Investment Portfolio prospectuses contain more complete information including a description of the investment objectives, policies, restrictions and risks of each Investment Portfolio. The following descriptions are qualified in their entirety by the prospectus for each Investment Portfolio.

#### AIM VARIABLE INSURANCE FUNDS

The AIM Variable Insurance Funds is a mutual fund with multiple portfolios. Invesco Aim Advisors, Inc. serves as the investment advisor. AIM Funds Management Inc. (AIM Funds Management Inc. anticipates changing its name to Invesco Trimark Investment Management Inc. on or prior to December 31, 2008); Invesco Global Asset Management (N.A.), Inc.; Invesco Institutional (N.A.), Inc.; Invesco Senior Secured Management, Inc.; Invesco Hong Kong Limited; Invesco Asset Management Limited; Invesco Asset Management (Japan) Limited; Invesco Asset Management Deutschland, GmbH; and Invesco Australia Limited serves as the investment subadvisors.. The following Investment Portfolios are available under the Contract:

##### AIM V.I. Basic Value - Series II shares

The fund's investment objective is long-term growth of capital. The fund seeks to meet its objective by investing, normally, at least 65% of its total assets in equity securities of U.S. issuers that have market capitalizations in excess of \$5 billion.

##### AIM V.I. Capital Development – Series I shares

The fund's investment objective is long-term growth of capital. The fund seeks to meet its objective by investing primarily in equity securities of mid-capitalization companies.

##### AIM V.I. Core Equity — Series I shares

The fund's investment objective is growth of capital. The fund seeks to meet its objective by investing normally at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities, including convertible securities, of established companies that have long-term above average growth in earnings, and growth companies that are believed to have the potential for above-average growth in earnings.

##### AIM V.I. Financial Services – Series I shares

The fund's investment objective is capital growth. The fund seeks to meet its objective by investing, normally, least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of issuers engaged primarily in financial services-related services.

##### AIM V.I. Global Health Care - Series I shares

The fund's investment objective is capital growth. The fund seeks to meet this objective by investing, normally, at least

80% of its assets in securities of health care industry companies.

##### AIM V.I. Global Real Estate - Series I shares

The fund's investment objective is high total return through growth of capital and current income. The fund seeks to meet its objective by investing, normally, at least 80% of its assets in securities of real estate and real estate-related companies, including real estate investment trusts (REITs).

##### AIM V.I. Government Securities

The fund's investment objective is a high level of current income consistent with reasonable concern for safety of principal. The fund seeks to meet its objective by investing, normally, at least 80% of its assets in debt securities issued, guaranteed or other backed by the U.S. Government agencies and instrumentalities.

##### AIM V.I. High Yield - Series I shares

The fund's investment objective is a high level of current income. The fund seeks to meet its objective by investing, normally, at least 80% of its assets in debt securities that are determined to be below investment grade quality because they are rated BB/Ba or lower by Standard & Poor's Ratings Services, Moody's Investors Service, Inc., or any other nationally recognized statistical rating organization (NRSRO), or are determined by the portfolio managers to be of comparable quality to such rated securities.

##### AIM V.I. International Growth

The fund's investment objective is long-term growth of capital. The fund seeks to meet its objective by investing in a diversified portfolio of international equity securities.

##### AIM V.I. Mid Cap Core Equity - Series II shares

The fund's investment objective is long-term growth of capital. The fund seeks to meet this objective by investing, normally, at least 80% of its assets in equity securities, including convertible securities, of mid-capitalization companies.

##### AIM V.I. Technology - Series I shares

The fund's investment objective is capital growth. The fund seeks to meet its objective by investing, normally, at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of issuers engaged primarily in technology-related industries.

#### THE ALGER AMERICAN FUND

The Alger American Fund is a mutual fund with multiple portfolios. The manager of the fund is Fred Alger Management, Inc. The following Investment Portfolios are available under the Contract:

##### Alger American Capital Appreciation (f/k/a Alger American Leveraged AllCap)

The Fund seeks long-term capital appreciation. Under normal market circumstances, the Portfolio invests at least 85% of its net assets plus any borrowings for investment purposes in equity securities of companies of any market capitalization that the Manager believes demonstrate promising growth potential. The Portfolio can leverage, that is, borrow money to buy additional securities. By borrowing

money, the Portfolio has the potential to increase its returns if the increase in the value of the securities purchased exceeds the cost of borrowing, including interest paid on the money borrowed.

**Alger American Growth (name changing to Large Cap Growth 7/1/2008)**

The Fund seeks long-term capital appreciation. The following principal strategy is in effect through June 30, 2008: The Portfolio focuses on growing companies that generally have broad product lines, markets, financial resources and depth of management. Under normal circumstances, the Portfolio invests primarily in the equity securities of companies that have a market capitalization of \$1 billion or greater. Growth Portfolio is hereby providing shareholders with notice of a new name and principal strategy. Effective July 1, 2008 the Portfolio will be named the Alger American LargeCap Growth Portfolio. Rather than representing a change in the Portfolio's investment strategies, the new name and related policies will better reflect the Portfolio's current actual investment practice. From July 1, 2008, as now, the Portfolio will focus on growing companies that generally have broad product lines, markets, financial resources and depth of management. Effective July 1, 2008 under normal circumstances the Portfolio will invest at least 80% of its net assets in equity securities of companies that, at the time of purchase of the securities, have a market capitalization equal to or greater than the market capitalization of companies included in the Russell 1000 Growth Index, updated quarterly as reported as of the most recent quarter-end. This index is designed to track the performance of large-capitalization growth stocks. At December 31, 2007, the market capitalization of the companies in this index ranged from \$624 million to \$527.7 billion.

**Alger American MidCap Growth**

The Fund seeks long-term capital appreciation. The Portfolio focuses on mid-sized companies that the Manager believes demonstrate promising growth potential. Under normal circumstances, the Portfolio invests at least 80% of its net assets in equity securities of companies that, at the time of purchase of the securities, have total market capitalization within the range of companies included in the Russell Midcap Growth Index or the S&P MidCap 400 Index, as reported by the indexes as of the most recent quarter-end. Both indexes are designed to track the performance of medium-capitalization stocks. At December 31, 2007, the market capitalization of the companies in these indexes ranged from \$263 million to \$42 billion.

**Alger American Small Cap Growth (f/k/a Alger American Small Capitalization): Closed to new investors.**

The Fund seeks long-term capital appreciation. The Portfolio focuses on small, fast growing companies that the Manager believes offer innovative products, services or technologies to a rapidly-expanding marketplace. Under normal circumstances, the Fund invests at least 80% of its net assets in equity securities of companies that, at the time of purchase of the securities, have total market capitalization within the range of companies included in the Russell 2000 Growth Index or the S&P SmallCap 600 Index, as reported by the indexes as of the most recent quarter-end. Both indexes are

broad indexes of small capitalization stocks. At December 31, 2007, the market capitalization of the companies in these indexes ranged from \$47 million to \$8.3 billion.

**ALLIANCEBERNSTEIN L.P.**

AllianceBernstein L.P. is one of the largest publicly traded global asset management firms in the world with approximately \$800 billion in assets under management at December 31, 2007. AllianceBernstein provides diversified, investment management services that include global growth, value and style blend equities, and fixed income services to institutional, high net worth and retail clients worldwide.

**AllianceBernstein Growth and Income**

The Portfolio's investment objective is long-term growth of capital. The Portfolio invests primarily in the equity securities of U.S. companies that the Adviser believes are undervalued. The Adviser believes that, over time, a company's stock price will come to reflect its intrinsic economic value. The Adviser uses a disciplined investment process to evaluate the companies in the Adviser's extensive research universe and to identify the stocks of companies that offer the best combination of value and potential for price appreciation. The Portfolio may invest in companies of any size and in any industry.

**AllianceBernstein International Growth – Class B**

The Portfolio seeks long-term growth of capital by investing primarily in an international portfolio of equity securities of companies located in both developed and emerging countries. The Portfolio's investment process relies upon comprehensive fundamental company research produced by the Adviser's large research team of analysts covering both developed and emerging markets around the globe.

**AllianceBernstein International Value – Class B**

The Portfolio seeks long-term growth by investing primarily in a diversified portfolio of equity securities of established companies selected from more than 40 industries and more than 40 developed and emerging market countries. The Portfolio invests in companies that are determined by the Adviser's Bernstein unit to be undervalued, using a fundamental value approach.

**AllianceBernstein Small Cap Growth – Class B**

The Portfolio seeks long-term growth of capital by investing at least 80% of its net assets in equity securities of smaller companies. These companies fall within the lowest 20% of the total U.S. equity market capitalization. The Adviser looks for companies whose prospective earnings growth has been underestimated by the marketplace or whose earnings prospects are not fully reflected in current market valuations.

**AllianceBernstein Small-Mid Cap Value**

The Portfolio's investment objective is long-term growth of capital. The Portfolio invests primarily in a diversified portfolio of equity securities of small- to mid-capitalization U.S. companies, generally representing 60 to 110 companies. For purposes of this policy, "small- to mid-capitalization companies" are those that, at the time of investment, fall within the capitalization range between the smallest company in the Russell 2500TM Value Index and the greater of \$5 billion or the market capitalization of the largest company in

the Russell 2500™ Value Index. Under normal circumstances, the Portfolio will invest at least 80% of its net assets in these types of securities.

#### **ALPS VARIABLE INSURANCE TRUST**

ALPS Advisers, Inc. is the Investment Adviser and Red Rocks Capital LLC is the sub-adviser.

#### **AVS Listed Private Equity (Class II)**

The portfolio seeks to maximize total return which consists of appreciation on its investments and a variable income stream.

#### **AMERICAN CENTURY VARIABLE PORTFOLIOS, INC.**

American Century Variable Portfolios, Inc. is a registered open-end management investment company with multiple funds. The funds' investment adviser is American Century Investment Management, Inc, except for American Century Investments VP International Fund, which has American Century Global Investment Management, Inc. as an investment adviser. The following Investment Portfolios are available under the Contract:

#### **American Century Investments VP Balanced (Class I)**

The American Century Investments VP Balanced Fund seeks long-term capital growth and current income by investing approximately 60% of its assets in equity securities and the remainder in bonds and other fixed-income securities.

#### **American Century Investments VP Income & Growth (Class I)**

The VP Income & Growth Fund seeks capital growth by investing in common stocks. Income is a secondary objective.

#### **American Century Investments VP Inflation Protection (Class II)**

The American Century VP Inflation Protection Fund pursues long-term total return using a strategy that seeks to protect against U.S. inflation.

#### **American Century Investments VP International**

The American Century VP International Fund seeks capital growth by investing primarily in securities of foreign companies that management believes to have potential for appreciation.

#### **American Century Investments VP Large Company Value (Class I)**

The American Century VP Large Company Value Fund seeks long-term capital growth. Income is a secondary objective. The fund invests primarily in equity securities of large companies that management believes to be undervalued at the time of purchase.

#### **American Century Investments VP Ultra® (Class I)**

The American Century VP Ultra Fund seeks long-term capital growth by investing in common stocks considered by management to have better-than-average prospects for appreciation.

#### **American Century Investments VP Value**

The American Century VP Value Fund seeks long-term capital growth with income as a secondary objective. It invests primarily in equity securities of well-established companies that management believes to be undervalued at the time of purchase.

#### **American Century Investments VP Vista<sup>SM</sup> (Class I)**

The American Century VP Vista<sup>SM</sup> Fund seeks long term capital growth by investing in stocks of medium-sized and smaller companies that management believes will increase in value over time.

#### **CREDIT SUISSE TRUST**

Credit Suisse Trust is a mutual fund with multiple portfolios. The Trust is advised by Credit Suisse Asset Management, LLC. The following Portfolio is available under the contract:

#### **Credit Suisse Trust Commodity Return Strategy**

The Credit Suisse Trust Commodity Return Portfolio is designed to replicate the performance of the Dow-Jones AIG Commodity Index ("DJ-AIG Index") and seeks to invest at least 80% of its net assets, plus any borrowings for investment purposes, in a combination of commodity-linked derivative instruments and fixed-income securities backing those instruments.

#### **THE DIREXION INSURANCE TRUST**

The DireXion Insurance Trust is managed by Rafferty Asset Management, LLC, which provides investment services to the Fund. Rafferty is located at 33 Whitehall St. 10<sup>th</sup> Floor, New York, NY 10004. As of the date of this prospectus the DireXion Dynamic VP HY Bond Fund permits active trading. This may change at any time without notice. For more information, see the prospectus. The following Investment Portfolio is available under the Contract:

#### **DireXion Dynamic VP HY Bond**

DireXion Dynamic VP HY Bond Fund is an open-end fund. The Fund's objective is to maximize total return. The fund invests at least 80% of the fund's net assets (plus any borrowing for investment purposes) in high yield debt instruments, commonly referred to as "junk bonds", or derivatives of such instruments. The fund is designed to provide liquidity for active asset allocators.

#### **Evolution VP All-Cap Equity (Investor Class)**

The All-Cap Equity Fund seeks high appreciation on an annual basis consistent with a high tolerance for risk. The All-Cap Equity Fund will invest at least 80% of its net assets (plus any borrowing for investment purposes) in equity securities either directly through individual stocks and ADRs or indirectly through securities that invest in or are a derivative of equity securities.

#### **Evolution VP Managed Bond (Investor Class)**

The Managed Bond Fund seeks high appreciation on an annual basis consistent with a high tolerance for risk. The Managed Bond Fund will invest at least 80% of its net assets (plus any borrowing for investment purposes) in fixed-income securities indirectly through securities that invest in or are a derivative of fixed income securities, including ETFs and closed end investment companies (collectively "fixed income securities").

#### **THE DREYFUS SOCIALLY RESPONSIBLE GROWTH FUND, INC. (Initial Shares)**

The Dreyfus Socially Responsible Growth Fund, Inc. is a mutual fund. The investment adviser for the fund is The Dreyfus Corporation. The Dreyfus Socially Responsible Growth Fund, Inc. seeks to provide capital growth, with current income as a secondary goal. To pursue these goals, the

fund invests at least 80% of its assets in the common stock of companies that, in the opinion of the fund's management, meet traditional investment standards and conduct their business in a manner that contributes to the enhancement of the quality of life in America.

**DREYFUS INVESTMENT PORTFOLIOS (Service Shares)**

The Dreyfus Investment Portfolios ("Dreyfus IP") is a mutual fund with multiple portfolios. The investment adviser to the fund is The Dreyfus Corporation. The following Investment Portfolios are available under the Contract:

**DREYFUS IP – Small Cap Stock Index**

The portfolio seeks to match the performance of the Standard & Poor's (S&P) SmallCap 600 Index®. To pursue this goal, the portfolio invests in a representative sample of stocks included in the S&P SmallCap 600 Index®, and in futures whose performance is related to the index, rather than attempt to replicate the index.

**DREYFUS STOCK INDEX FUND, INC. (Initial Shares)**

The Dreyfus Stock Index Fund is a mutual fund. The investment adviser for the fund is The Dreyfus Corporation and the sub-adviser is Mellon Capital Management. The Dreyfus Stock Index Fund seeks to match the total return of the Standard & Poor's 500 Composite Stock Price Index. To pursue this goal, the fund generally invests in all 500 stocks in the S&P 500 in proportion to their weighting in the index.

**DREYFUS VARIABLE INVESTMENT FUND (Initial Shares)**

The Dreyfus Variable Investment Fund ("Dreyfus VIF") is a mutual fund with multiple portfolios. The investment adviser for the fund is The Dreyfus Corporation. The following Investment Portfolios are available under the Contract:

**Dreyfus VIF—International Value**

The Dreyfus VIF—International Value Portfolio seeks long-term capital growth. To pursue this goal, the portfolio invests at least 80% of its assets in stocks. The Portfolio ordinarily invests most of its assets in foreign issuers which Dreyfus considers to be "value" companies.

**FEDERATED INSURANCE SERIES**

Federated Insurance Series is a mutual fund with multiple portfolios. Federated Investment Management Company is the adviser to the Federated High Income Bond Fund II (Primary Shares). Federated Global Investment Management Corp. is the adviser to the Federated International Equity Fund II. Federated Equity Management Company of Pennsylvania is the adviser to the Federated Kaufmann Fund II, the Federated Market Opportunity Fund II, and the Federated Capital Income II. Capital Income II's sub-advisor is the Federated Investment Management Company. The following Investment Portfolios are available under the Contract:

**Federated Capital Income II**

The Federated Capital Income Fund II seeks high current income and moderate capital appreciation. The Fund pursues its investment objective by investing primarily in equity fixed income securities that have higher relative income potential. The Fund's investment objective is to achieve high current income and moderate capital appreciation. The Fund pursues its investment objectives by investing in both equity and fixed-income securities that have high relative income potential.

**Federated High Income Bond II (Primary Shares)**

The Federated High Income Bond Fund II seeks high current income by investing primarily in a professionally managed, diversified portfolio of high yield, lower rated corporate bonds (also known as "junk bonds"). The Fund's investment objective is to seek high current income. The Fund pursues its investment objective by investing primarily in a diversified portfolio of high-yield lower-rated corporate bonds (also known as "junk bonds").

**Federated International Equity II**

The Federated International Equity Fund II seeks to obtain a total return on its assets. The Fund's total return will consist of two components: (1) changes in the market value of its portfolio securities (both realized and unrealized appreciation); and (2) income received from its portfolio securities. The Fund's investment objective is to obtain a total return on its assets. The Fund pursues its investment objective by investing primarily in equity securities of companies based outside the United States.

**Federated Kaufmann II (Service Shares)**

The Federated Kaufmann Fund II seeks to provide capital appreciation. The Fund pursues its investment objective by investing primarily in the stocks of small and medium-sized companies that are traded on national security exchanges, the NASDAQ stock market and on the over-the-counter market.

**Federated Market Opportunity II (Service Shares)**

The Federated Market Opportunity Fund II seeks to provide moderate capital appreciation and high current income. The Fund pursues its investment objective by investing under normal market conditions, in domestic (including ADRs) and foreign securities that the Adviser deems to be undervalued or out-of-favor or securities that the Adviser believes are attractive due to their income-producing potential.

**FINANCIAL INVESTORS VARIABLE INSURANCE TRUST**

ALPS Advisers, Inc. is the investment adviser and Ibbotson Associates are the sub-advisers.

**IBBOTSON ETF ASSET ALLOCATION PORTFOLIO**

**Ibbotson Aggressive Growth (Class II)**

The Portfolio seeks to provide investors with capital appreciation by allocating its investments in Underlying ETF's such that 10% of such allocation is invested in Underlying ETF's that invest primarily in fixed-income securities and money market instruments and approximately 90% of such allocation is invested in Underlying ETF's that invest primarily in equity securities of large, medium and small sized companies, and may include other investments.

**Ibbotson Balanced ETF (Class II)**

The Portfolio seeks to provide investors with capital appreciation and some current income by allocating its investments in Underlying ETF's such that 40% of such allocation is invested in Underlying ETF's that invest primarily in fixed-income securities and money market instruments and approximately 60% of such allocation is invested in Underlying ETF's that invest primarily in equity securities of large, medium and small sized companies, and may include other investments such as commodities and commodity futures.

---

**Ibbotson Conservative ETF (Class II)**

The Portfolio seeks to provide investors with current income and preservation of capital by allocating its investments in Underlying ETF's such that 80% of such allocation is invested in Underlying ETF's that invest primarily in fixed-income securities and money market instruments and approximately 20% of such allocation is invested in Underlying ETF's that invest primarily in equity securities of large, medium and small sized companies, and may include other investments such as commodities and commodity futures.

**Ibbotson Growth ETF (Class II)**

The Portfolio seeks to provide investors with capital appreciation by allocating its investments in Underlying ETF's such that 20% of such allocation is invested in Underlying ETF's that invest primarily in fixed-income securities and money market instruments and approximately 80% of such allocation is invested in Underlying ETF's that invest primarily in equity securities of large, medium and small sized companies, and may include other investments such as commodities and commodity futures.

**Ibbotson Income & Growth ETF (Class II)**

The Portfolio seeks to provide investors with current income and capital appreciation by allocating its investments in the Underlying ETF's such that 60% of such allocation is invested in Underlying ETF's that invest primarily in fixed-income securities and money market instruments and approximately 40% of such allocation is invested in Underlying ETF's that invest primarily in equity securities of large, medium and small sized companies, and may include other investments such as commodities and commodity futures.

**JANUS ASPEN SERIES**

Each Portfolio is a series of Janus Aspen Series, a Delaware statutory trust. Janus Capital Management LLC is the investment adviser to the Portfolios. Janus Aspen INTECH Risk-Managed Growth Portfolio and Janus Aspen INTECH Risk-Managed Core Portfolio are subadvised by Enhanced Investment Technologies, LLC ("INTECH"). Janus Aspen Mid Cap Value Portfolio is subadvised by Perkins, Wolf, McDonnell and Company, LLC. The following Investment Portfolios are available under your Contract:

**Janus Aspen Balanced (Institutional Shares)**

The Janus Aspen Balanced Portfolio seeks long-term capital growth, consistent with preservation of capital and balanced by current income. The Portfolio pursues its investment objective by normally investing 50-60% of its assets in equity securities selected primarily for their growth potential and 40-50% of its assets in securities selected primarily for their income potential. The Portfolio normally invests at least 25% of its assets in fixed-income senior securities. Within the parameters of its specific investment policies, the Portfolio may invest in foreign equity and debt securities, which may include investments in emerging markets. The Portfolio will limit its investment in high-yield/high-risk bonds (also called "junk" bonds) to 35% or less of its net assets.

**Janus Aspen Forty (Institutional Shares)**

The Janus Aspen Forty Portfolio seeks long-term growth of capital. The Portfolio pursues its investment objective by

normally investing primarily in a core group of 20-40 common stocks selected for their growth potential. The Portfolio may invest in companies of any size, from larger, well-established companies to smaller emerging growth companies. Within the parameters of its specific investment policies, the Portfolio may invest in foreign equity and debt securities, which may include investments in emerging markets.

**Janus Aspen Global Life Sciences (Institutional Shares)**

The Janus Aspen Global Life Sciences Portfolio seeks long-term growth of capital. The Portfolio invests, under normal circumstances, at least 80% of its net assets in securities of companies that the portfolio manager believes have a life science orientation. Generally speaking, the "life sciences" relate to maintaining or improving quality of life. So, for example, companies with a "life science orientation" include companies engaged in research, development, production, or distribution of products or services related to health and personal care, medicine, or pharmaceuticals. The Portfolio implements this policy by investing primarily in equity securities of U.S. and foreign companies selected for their growth potential. The Portfolio normally invests in issuers from several different countries, which may include the United States. The Portfolio may, under unusual circumstances, invest in a single country. As a fundamental policy, the Portfolio normally invests at least 25% of its total assets in the "life sciences" sector, which may include companies in the following industries: health care; pharmaceuticals; agriculture; cosmetics/personal care; and biotechnology. The Portfolio may have significant exposure to emerging markets. Within the parameters of its specific investment policies, the Portfolio may invest in foreign equity and debt securities, which may include investments in emerging markets.

**Janus Aspen Growth and Income (Institutional Shares)**

The Janus Aspen Series Growth and Income Portfolio seeks long-term capital growth and current income. It pursues its objective by normally emphasizing investments in common stocks. It will normally invest up to 75% of its assets in equity securities selected primarily for their growth potential, and at least 25% of its assets in securities the portfolio manager believes have income potential.

**Janus Aspen INTECH Risk-Managed Core (Service Shares)**

The Janus Aspen INTECH Risk-Managed Core Portfolio seeks long-term growth of capital. The Portfolio pursues its objective by investing primarily in common stocks from the universe of the Portfolio's benchmark index, which is the S&P 500® Index. Stocks are selected for their potential contribution to the long-term growth of capital, utilizing INTECH's mathematical investment process. The Portfolio pursues its investment objective by applying a mathematical investment process to construct an investment portfolio from the universe of common stocks within its benchmark index.

**Janus Aspen INTECH Risk-Managed Growth (Service Shares)**

The Janus Aspen INTECH Risk-Managed Growth Portfolio seeks long-term growth of capital. The Portfolio pursues its objective by investing primarily in common stocks from the universe of the Portfolio's benchmark index, which is the Russell 1000® Growth Index. Stocks are selected for their

---

potential contribution to the long-term growth of capital, utilizing INTECH's mathematical investment process. The Portfolio pursues its investment objective by applying a mathematical investment process to construct an investment portfolio from the universe of common stocks within its benchmark index.

#### **Janus Aspen International Growth (Institutional Shares)**

The Janus Aspen International Growth Portfolio seeks long-term growth of capital. It invests, under normal circumstances, at least 80% of its net assets in securities of issuers from countries outside of the United States. The Portfolio normally invests in securities of issuers from several different countries, excluding the United States. Although the Portfolio intends to invest substantially all of its assets in issuers located outside the United States, it may at times invest in U.S. issuers, and it may, under unusual circumstances, invest all of its assets in a single country. The Portfolio may have significant exposure to emerging markets. Within the parameters of its specific investment policies, the Portfolio may invest in foreign equity and debt securities, which may include investments in emerging markets.

#### **Janus Aspen Large Cap Growth (Institutional Shares)**

The Janus Aspen Large Cap Growth Portfolio seeks long-term growth of capital in a manner consistent with the preservation of capital. It pursues its investment objective by investing, under normal circumstances, at least 80% of its net assets in common stocks of large-sized companies. Large-sized companies are those whose market capitalization falls within the range of companies in the Russell 1000® Index at the time of purchase. Within the parameters of its specific investment policies, the Portfolio may invest in foreign equity and debt securities, which may include investments in emerging markets.

#### **Janus Aspen Mid Cap Growth (Institutional Shares)**

The Janus Aspen Mid Cap Growth Portfolio seeks long-term growth of capital. It pursues its investment objective by investing, under normal circumstances, at least 80% of its net assets in equity securities of mid-sized companies whose market capitalization falls, at the time of purchase, in the 12-month average of the capitalization range of the Russell Midcap® Growth Index. Within the parameters of its specific investment policies, the Portfolio may invest in foreign equity and debt securities, which may include investments in emerging markets.

#### **Janus Aspen Mid Cap Value (Institutional Shares)**

The Janus Aspen Mid Cap Value Portfolio seeks capital appreciation. The Portfolio pursues its investment objective by investing primarily in common stocks selected for their capital appreciation potential. The Portfolio primarily invests in the common stocks of mid-sized companies whose stock prices the portfolio managers believe to be undervalued. The Portfolio invests, under normal circumstances, at least 80% of its assets in equity securities of companies whose market capitalization falls, at the time of purchase, within the 12-month average of the capitalization range of the Russell Midcap Value Index. The Portfolio focuses on companies that have fallen out of favor with the market or that appear to be temporarily misunderstood by the investment community. To a lesser degree, the Portfolio also invests in companies that

demonstrate special situations or turnarounds, meaning companies that have experienced significant business problems but are believed to have favorable prospects for recovery. The Portfolio's portfolio managers generally look for companies with: a low price relative to their assets, earnings, cash flow, or business franchise; products and services that give them a competitive advantage; quality balance sheets and strong management.

#### **Janus Aspen Small Company Value (Service Shares)**

The Janus Aspen Small Company Value Portfolio seeks capital appreciation. The Portfolio pursues its investment objective by investing primarily in common stocks selected for their capital appreciation potential. The Portfolio primarily invests in the common stocks of small companies whose stock prices are believed to be undervalued by the portfolio manager. The Portfolio invests, under normal circumstances, at least 80% of its assets in equity securities of small companies whose market capitalization, at the time of initial purchase, is less than the 12-month average of the maximum market capitalization for companies included in the Russell 2000® Value Index. The Portfolio uses fundamental analysis and proprietary valuation models to select a holding of stocks for the Portfolio. The Portfolio's portfolio manager generally looks for companies: that have reasonably solid fundamentals; whose stocks are trading at a discount relative to their intrinsic investment value based on their assets, earnings, cash flow, or franchise values.

#### **Janus Aspen Worldwide Growth (Institutional Shares)**

The Janus Aspen Worldwide Growth Portfolio seeks long-term growth of capital in a manner consistent with the preservation of capital. It pursues its investment objective by investing primarily in common stocks of companies of any size located throughout the world. The Portfolio normally invests in issuers from several different countries, including the United States. The Portfolio may, under unusual circumstances, invest in a single country. The Portfolio may have significant exposure to emerging markets. Within the parameters of its specific investment policies, the Portfolio may invest in foreign equity and debt securities, which may include investments in emerging markets.

#### **LAZARD RETIREMENT SERIES, INC.**

Lazard Retirement Series, Inc. is a mutual fund with multiple portfolios. Lazard Asset Management LLC serves as the investment manager of the portfolios. Lazard Asset Management LLC ("Lazard" or "LAM") is a Delaware limited liability company. It is a subsidiary of Lazard Freres & Co. LLC, (LF&Co), a New York limited liability company with one member, Lazard Group LLC, a Delaware limited liability company. The following Investment Portfolios are available under the Contract:

#### **Lazard Retirement Emerging Markets Equity**

The Portfolio seeks long-term capital appreciation. The Portfolio invests primarily in equity securities, principally common stocks, of non-U.S. companies whose principal activities are located in emerging market countries and that the Investment Manager believes are undervalued based on their earnings, cash flow or asset values. Emerging market countries include all countries represented by the Morgan Stanley Capital International (MSCI) Emerging Market (EM)

Index, which currently includes: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, South Korea, Taiwan, Thailand, Turkey and Venezuela. Under normal circumstances, the Portfolio invests at least 80% of its assets in equity securities of companies whose principal business activities are located in emerging market countries. The allocation of the Portfolio's assets among emerging market countries may shift from time to time based on the Investment Manager's judgment and its analysis of market conditions. However, the Portfolio is likely to focus on companies in Latin America, the Pacific Basin and Eastern Europe.

#### **Lazard Retirement International Equity**

The Portfolio seeks long-term capital appreciation. The Portfolio invests primarily in equity securities, principally common stock, of relatively large non-U.S. companies with market capitalizations in the range of companies included the Morgan Stanley Capital International (MSCI®) Europe, Australia and Far East (EAFE®) Index that the Investment Manager believes are undervalued based on their earnings, cash flow or asset values. In choosing stocks for the Portfolio, the Investment Manager looks for established companies in economically developed countries. The allocation of the Portfolio's assets among geographic sectors may shift from time to time based on the Investment Manager's judgment. Under normal circumstances, the Portfolio invests at least 80% of its assets in equity securities. The portfolio may invest up to 30% of its assets in securities of companies whose principal business activities are located in emerging market countries, although the allocation of the Portfolio's assets to emerging market countries may vary from time to time. The securities of emerging market countries can be extremely volatile. The Portfolio's performance will be influenced by political, social and economic factors affecting companies in emerging market countries. Emerging market countries can generally have economic structures that are less diverse and mature, and political systems that are less stable, than those of developed countries.

#### **Lazard Retirement U.S. Small Cap Equity**

The Portfolio seeks long-term capital appreciation. The Portfolio invests primarily in equity securities, principally common stocks, of relatively small U.S. companies that the Investment Manager believes are undervalued based on their earnings, cash flow or asset values. The Investment Manager considers "small cap companies" to be those companies that at the time of initial purchase by the Portfolio, have market capitalizations within the range of companies included in the Russell 2000® Index (up to \$2.75 billion as of March 31, 2004). Because small cap companies are defined by reference to an index, the market capitalizations of companies in which the Portfolio may invest may vary with market conditions. Under normal circumstances, the Portfolio invests at least 80% of its assets in equity securities of small cap companies. These securities generally have, in the Investment Manager's opinion, one or more of the following characteristics:

- The potential to become a larger factor in the company's business sector

- Significant debt but high levels of free cash flow
- A relatively short corporate history with the expectation that the business may grow

The Portfolio may invest up to 20% of its assets in equity securities of larger U.S. companies.

#### **Lazard Retirement U.S. Strategic Equity**

The Portfolio seeks long-term capital appreciation. Under normal circumstances the Portfolio will invest at least 80% of its net assets, plus any borrowings for investment purposes in equity securities of U.S. companies (or other investments with similar economic characteristics) and certain investment strategies and policies. The Portfolio will generally focus on large-sized companies, although the market capitalizations of issuers in which the Portfolio invests may vary with market conditions and the portfolio will have opportunistic exposure to mid cap companies. From time to time, the Portfolio may invest in companies with market capitalization as small as \$500 millions.

#### **LEGG MASON PARTNERS FUND ADVISOR, LLC INVESTMENT MANAGER AND SUBADVISORS**

Legg Mason Partners Fund Advisor, LLC ("LMPFA"), with offices at 620 Eighth Avenue, New York, New York 10018, is the funds' investment manager. LMPFA provides administrative and certain oversight services to the funds and manages the equity funds' cash and short-term investments. ClearBridge Advisors, LLC ("ClearBridge") provides the day-to-day portfolio management of certain of the funds. ClearBridge has offices at 620 Eighth Avenue, New York, New York 10018 and is an investment adviser that was formed to succeed to the equity securities portfolio management business of Citigroup Asset Management, which was acquired by Legg Mason, Inc. in December 2005. Western Asset Management Company ("Western Asset") and Western Asset Management Company Limited ("Western Asset Limited") provide the day-to-day portfolio management of certain of the funds as subadvisors. Western Asset, established in 1971 and having offices at 385 East Colorado Boulevard, Pasadena, California 91101, and Western Asset Limited, with offices at 10 Exchange Place, London, England, act as investment advisers to institutional accounts, such as corporate pension plans, mutual funds and endowment funds.

#### **Legg Mason Partners Variable Aggressive Growth**

The fund seeks capital appreciation. It invests primarily in common stocks of companies that the manager believes are experiencing, or will experience, growth in earnings and/or cash flow that exceeds the average rate of earnings growth of the companies comprising the S&P 500 Index. The fund may invest in the securities of large, well-known companies that offer prospects of long-term earnings growth. However, because higher earnings growth rates are often achieved by small- to medium-sized companies, a significant portion of the fund's assets may be invested in the securities of such companies.

#### **Legg Mason Partners Variable Capital and Income**

The fund seeks total return (that is, a combination of income and long-term capital appreciation). The fund invests in equity and fixed income securities of both U.S. and foreign issuers. The fund seeks to generate income and appreciation by allocating fund assets to income and non-income producing

equity and equity related securities, including common stocks, real estate investment trusts and convertible securities. To generate income and enhance exposure to the equity markets, the fund will purchase investment grade and high yield fixed income securities or unrated securities of equivalent quality along with options on securities indices. Fixed income securities may be of any maturity. By investing in a combination of equity and fixed income securities, the fund seeks to produce a pattern of total return that moves with the S&P 500 Index, while generating high income. The fund may also use options, futures and options on futures to increase exposure to part or all of the market or to hedge against adverse changes in the market value of its securities.

#### **Legg Mason Partners Variable Fundamental Value**

The fund seeks long term capital growth. Current income is a secondary consideration. The fund invests primarily in common stocks and common stock equivalents of companies the manager believes are undervalued in the marketplace. While the manager selects investments primarily for their capital appreciation potential, secondary consideration is given to a company's dividend record and the potential for an improved dividend return. The fund generally invests in securities of large well-known companies but may also invest a significant portion of its assets in securities of small to medium-sized companies when the manager believes smaller companies offer more attractive value opportunities.

#### **Legg Mason Partners Variable Global High Yield Bond**

The fund seeks to maximize total return, consistent with the preservation of capital. The fund invests primarily in high yield fixed income securities issued by U.S. and foreign corporations and foreign governments and their agencies and instrumentalities. The fund invests, under normal circumstances, at least 80% of its assets in high yield bonds and related investments. The fund will limit its investments in emerging market governmental issuers to 35% of its assets. The fund invests primarily in fixed income securities rated below investment grade by a recognized rating agency or, if unrated, of equivalent quality as determined by the manager. The fund may also invest up to 20% of its assets in equity and equity related securities and invest up to 100% of its assets in securities of foreign issuers. The fund normally maintains an average portfolio duration of between 3 and 7 years. However, the fund may invest in individual securities of any duration.

#### **Legg Mason Partners Variable Large Cap Growth**

The fund invests, under normal market conditions, at least 80% of the value of its net assets, plus any borrowings for investment purposes, in equity securities or other investments with similar economic characteristics of U.S. companies with large market capitalizations. Large market capitalization companies are currently defined as those whose market capitalizations are similar to companies in the Russell 1000 Index. Up to 20% of the value of the fund's net assets may be invested in companies with smaller market capitalizations.

#### **Legg Mason Partners Variable Strategic Bond**

The fund seeks to maximize total return, consistent with the preservation of capital. The fund invests primarily in a globally diverse portfolio of fixed income securities. The fund invests, under normal circumstances, at least 80% of its assets

in fixed income securities and related investments. The manager has broad discretion to allocate the fund's assets among the following segments of the international market for fixed income securities:

- U.S. government obligations
- Mortgage and asset-backed securities
- Investment and non-investment securities grade U.S. and foreign corporate debt; and
- Investment and non-investment debt grade sovereign debt, including issuers in emerging markets

The fund invests in fixed income securities across a range of credit qualities and may invest a substantial portion of the fund's assets in obligations rated below investment grade by a recognized rating agency, or, if unrated, of equivalent quality as determined by the manager. The fund normally maintains an average portfolio duration of between 3 and 7 years. The fund may hold individual securities of any duration and may at times hold a substantial portion of its assets in short-term instruments.

#### **LORD ABBETT SERIES FUND, INC.**

Lord Abbett Series Fund, Inc. is a mutual fund with multiple portfolios. The fund's investment adviser is Lord, Abbett & Co. LLC ("Lord Abbett"), a Delaware limited liability company, which is registered as an investment adviser with the SEC. The following Investment Portfolios are available under the Contract:

#### **Lord Abbett Series Fund, Inc.—America's Value**

The Portfolio's investment objective is to seek current income and capital appreciation. To pursue this goal, the Portfolio normally invests in equity securities of companies with market capitalizations greater than \$500 million at the time of purchase and fixed income securities of various types. This market capitalization threshold may vary in response to changes in the markets. The Portfolio generally uses a value approach to identify particular investments for the Portfolio. The mix of the Portfolio's investments at any time will depend on our judgments regarding the degree to which we believe specific securities are undervalued (that is, with the highest projected total return/yield potential) and is subject to change. Under normal circumstances, the Portfolio invests at least 50% of its net assets in equity securities and may invest its remaining assets in equity or fixed income securities. The Portfolio invests under normal circumstances at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity and fixed income securities issued by companies organized in or maintaining their principal place of business in the United States, or whose securities are traded primarily in the United States. The Portfolio will provide shareholders with at least 60 days' notice of any change in this policy. The Portfolio may invest up to 20% of its net assets in foreign securities that are primarily traded outside the United States.

#### **Lord Abbett Series Fund, Inc. – Bond Debenture**

The Bond Debenture Fund seeks high current income and the opportunity for capital appreciation to produce a high total return. The Bond Debenture Fund will invest at least 80% of its net assets, plus the amount of any borrowing for investment purposes, in bonds, debentures and other fixed income securities.

---

**Lord Abbett Series Fund, Inc.—Growth and Income**

The Portfolio's investment objective is long-term growth of capital and income without excessive fluctuations in market value. To pursue this goal, the Portfolio primarily purchases equity securities of large, seasoned, U.S. and multinational companies that we believe are undervalued. Under normal circumstances, the Portfolio will invest at least 80% of its net assets in equity securities of large companies. A large company is defined as a company having a market capitalization at the time of purchase that falls within the market capitalization range of companies in the Russell 1000® Index, a widely used benchmark for large-cap stock performance. As of June 30, 2007, following its annual reconstitution the market capitalization range of the Russell 1000® Index was \$1.5 billion to \$472.5 billion. This range varies daily. Equity securities in which the Portfolio may invest may include common stocks, preferred stocks, convertible securities, warrants, and similar instruments. Common stocks, the most familiar type of equity security, represent an ownership interest in a company.

**Lord Abbett Series Fund, Inc. – International**

The International Fund seeks long-term capital appreciation. The International Fund will invest at least 65% of its net assets in equity securities of small companies principally based outside of the United States and diversified among a number of different countries throughout the world.

**Lord Abbett Series Fund, Inc – Large Cap Core**

The Large Cap Core Fund seeks growth of capital and growth of income consistent with reasonable risk. The Large Cap Core Fund will invest at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of large, seasoned, U.S. and multinational companies.

**NATIONWIDE VARIABLE INVESTMENT TRUST**

Nationwide Variable Insurance Trust (the "Trust"), a Delaware statutory trust, is a registered open-end, management investment company currently consisting of 39 series. Nationwide Fund Advisors is the investment adviser to the Trust. The following Investment Portfolios are available under your Contract:

**Nationwide VIT Bond Index**

The Fund employs a "passive" management approach, investing in a portfolio of securities whose performance seeks to match the performance of the Lehman Aggregate Index before the deduction of Fund expenses. Under normal circumstances, the Fund invests at least 80% of its net assets in bonds and other fixed-income securities that are included in (or have the same characteristics of the bonds comprising) the Lehman Aggregate Index, as well as derivatives linked to that index.

**Nationwide VIT International Index**

The Fund employs a "passive" management approach, investing in a portfolio of securities whose performance seeks to match the performance of the Morgan Stanley Capital International Europe, Australasia and Far East Index ("MSCI EAFE Index") before the deduction of Fund expenses. Under normal circumstances, the Fund invests at least 80% of its net assets in equity securities of companies included in the MSCI

EAFE Index and in derivative instruments linked to the MSCI EAFE Index.

**Nationwide VIT Mid Cap Index**

The Fund employs a "passive" management approach, attempting to invest in a portfolio of assets whose performance is expected to match approximately the performance of the Standard & Poor's MidCap 400R Index ("S&P 400R") before the deduction of Fund expenses. Under normal circumstances, the Fund invests at least 80% of its net assets in equity securities of companies included in the S&P 400R and in derivative instruments linked to the S&P 400R.

**Nationwide VIT S&P 500 Index**

The Fund employs a "passive" management approach, attempting to invest in a portfolio of assets whose performance is expected to match approximately the performance of the Standard & Poor's 500R Index ("S&P 500R") before the deduction of Fund expenses. Under normal conditions, the Fund invests at least 80% of its net assets in equity securities of companies included in the S&P 500R and in derivative instruments linked to the S&P 500R.

**Nationwide VIT Small Cap Index**

The Fund employs a "passive" management approach, investing in a portfolio of securities whose performance seeks to match the performance of the Russell 2000 before the deduction of Fund expenses. Under normal circumstances, the Fund invests at least 80% of its net assets in equity securities of companies included in the Russell 2000 and in derivative instruments linked to the Russell 2000.

**NEUBERGER BERMAN ADVISERS MANAGEMENT TRUST**

Neuberger Berman Advisers Management Trust ("Neuberger Berman AMT") is a registered investment company offering multiple portfolios. The portfolios are managed by Neuberger Berman Management Inc and sub-advised by Neuberger Berman, LLC (except for Lehman Brothers High Income Bond Portfolio (formerly, High Income Bond Portfolio) and Lehman Brothers Short Duration Bond Portfolio (formerly Limited Maturity Bond Portfolio), which are each sub-advised by Lehman Brothers Asset Management LLC, an affiliate of Neuberger Berman. The following portfolios are available under the Contract:

**Lehman Brothers High Income Bond**

The Fund's investment objective is to seek high total returns consistent with capital preservation. To pursue this goal, the Fund normally invests primarily in a diversified portfolio of intermediate term, U.S. dollar-denominated, high-yield corporate bonds of U. S. issuers (including those sometimes known as "junk bonds") rated at the time of investment "Baa1" or below by Moody's Investors Service, Inc. ("Moody's"), or "BBB+" or below by Standard & Poor's ("S&P"), or unrated bonds deemed by the Portfolio Managers to be of comparable quality.

**Lehman Brothers Short Duration Bond (I Class)**

The fund seeks the highest available current income consistent with liquidity and low risk to principal; total return is a secondary goal. To pursue these goals, the Fund invests mainly in investment-grade bonds and other debt securities from U.S. government and corporate issuers. These may include mortgage- and asset backed securities. To enhance

yield and add diversification, the Fund may invest up to 10% of its net assets in securities that are below investment grade, provided that, at the time of purchase, they are rated at least B by Moody's or Standard & Poor's or, if unrated by either of these, deemed by the investment manager to be of comparable quality. When the Portfolio Managers believe there are attractive opportunities in foreign markets, the Fund may also invest in foreign debt securities to enhance yield and/or total return.

#### **Neuberger Berman AMT Mid-Cap Growth**

The Fund seeks growth of capital. To pursue this goal, the portfolio invests mainly in common stocks of mid-capitalization companies. To pursue this goal, the Fund normally invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in common stocks of mid-capitalization companies, which it defines as those with a total market capitalization within the market capitalization range of the Russell Midcap® Index at the time of purchase. The Fund may continue to hold or add to a position in a stock after the issuer has grown beyond the capitalization range of the Russell Midcap® Index.

#### **Neuberger Berman AMT Partners**

The fund seeks growth of capital. The Fund invests mainly in common stocks, of mid- to large- capitalization companies. To pursue this goal, the Fund invests mainly in common stocks of mid- to large capitalization companies. The Fund seeks to reduce risk by diversifying amount many companies and industries. The Portfolio Manager looks for well-managed companies with strong balance sheets whose stock prices are undervalued.

#### **Neuberger Berman AMT Regency**

The Fund seeks growth of capital. To pursue this goal, the Fund invests mainly in common stocks of mid-capitalization companies which it defines as those with a total market capitalization within the market capitalization range of the Russell Midcap® Index. The Fund seeks to reduce risk by diversifying among many companies, sectors and industries.

#### **Neuberger Berman AMT Small-Cap Growth (Class S) (f/k/a AMT Fasciano Fund)**

The Fund seeks long-term capital growth. To pursue this goal, under normal market conditions, at least 80% of the Fund's net assets, plus the amount of any borrowings for investment purposes, will be invested in common stocks of small-capitalization companies which it defines as those with a total market capitalization within the market capitalization range of the Russell 2000 Index at the time of purchase. The Fund may continue to hold or add to a position in a stock after the issuer has grown beyond the capitalization range of the Russell 2000 Index.

#### **Neuberger Berman AMT Socially Responsive**

The Fund seeks long-term growth of capital by investing primarily in securities of companies that meet the Fund's financial criteria and social policy. The Fund seeks to reduce risk by investing across many different industries.

#### **NORTHERN LIGHTS VARIABLE INSURANCE TRUST**

The Northern Lights Variable Insurance Trust is a Delaware statutory trust offering multiple portfolios including Changing Parameters and JNF, managed by Changing Parameters, LLC, and JNF Advisors, Inc., respectively. JNF Advisors, Inc.

retains certain sub-advisers to manage its funds. Please see the underlying fund prospectus for details.

#### **Changing Parameters**

The Portfolio's name refers to the investment process used by the adviser, Changing Parameters, LLC (the "Adviser") to select the portfolio investments. The Adviser actively manages the Portfolio by allocating its holdings among equity and fixed income markets or various segments of these markets based on its technical, quantitative and momentum analysis of the changing parameters in the market. The Portfolio's investment objective is total return which it seeks to achieve by investing primarily in ETF's, U.S. Treasury instruments, and futures contracts.

#### **JNF Chicago Equity Partners Balanced**

The JNF Chicago Equity Partners Balanced Fund seeks to provide long-term growth of capital and income consistent with preservation of capital and a prudent level of risk. Normally the portfolio invests approximately 65-70% of its assets in mid to large cap equity securities, and the remainder in a combination of fixed-income securities, or cash equivalents. The equity investment strategy is designed to deliver a consistent exposure to the domestic equity market and utilizes a proprietary multi-factor model to identify securities with positive exposure to specific growth, value, quality and momentum factors. The goal of the process is to outperform the benchmark through specific security selection while reducing portfolio risks that lead to volatility and are not consistently rewarded. The fixed income strategy is designed to generate excess return through sector allocation, security selection and maturity distribution. The asset allocation strategy focuses on shifting the allocation to provide additional excess return over the benchmark at a prudent risk level.

#### **JNF Chicago Equity Partners Equity**

The JNF Chicago Equity Partners Equity Fund seeks to provide a high total return consistent with preservation of capital and a prudent level of risk. The investment strategy is designed to deliver a consistent exposure to the domestic mid capitalization equity market and utilizes a proprietary multi-factor model to identify securities with positive exposure to specific growth, value, quality and momentum factors. The goal of the process is to outperform the benchmark through specific stock selection while reducing portfolio risks that lead to volatility and are not consistently rewarded.

#### **JNF Loomis Sayles Bond**

The Portfolio seeks high total investment return through a combination of current income and capital appreciation by investing at least 80% of its net assets (plus any borrowings made for investment purposes) in fixed-income securities.

#### **JNF Money Market**

The Money Market Portfolio seeks to provide as high a level of current income as is consistent with preservation of capital and daily liquidity by investing at least 95% of its total assets in a diversified portfolio of money market securities that are in the highest rating category for short-term obligations. The Portfolio also may invest up to 5% of its total assets in money market securities that are in the second-highest rating category for short-term obligations.

---

## **PIMCO VARIABLE INSURANCE TRUST**

The PIMCO Variable Insurance Trust is a mutual fund with multiple portfolios. Pacific Investment Management Company LLC (“PIMCO”) serves as investment adviser and the administrator for the Portfolios. The following Investment Portfolios are available under the Contract:

### **PIMCO VIT All Asset**

Seeks maximum real return consistent with preservation of real capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances substantially all of its assets in Institutional Class shares of the PIMCO Funds, an affiliated open-end investment company, except the All Asset and All Asset All Authority Funds (“Underlying Funds”).

### **PIMCO VIT CommodityRealReturn™ Strategy Portfolio**

Seeks maximum real return consistent with prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances in commodity-linked derivative instruments backed by a portfolio of inflation-indexed securities and other Fixed Income Instruments.

### **PIMCO VIT Emerging Markets Bond**

Seeks maximum total return, consistent with preservation of capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 80% of its assets in Fixed Income Instruments of issuers that economically are tied to countries with emerging securities markets.

### **PIMCO VIT Foreign Bond (U.S. Dollar-Hedged)**

Seeks maximum total return, consistent with preservation of capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 80% of its assets in Fixed Income Instruments of issuers located outside the United States, representing at least three foreign countries, which may be represented by future contracts (including related options) with respect to such securities, and options on such securities.

### **PIMCO VIT Global Bond (Unhedged)**

Seeks maximum total return, consistent with preservation of capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 80% of its assets in Fixed Income Instruments of issuers located in at least three countries (one of which may be the United States), which may be represented by futures contracts (including related options) with respect to such securities, and options on such securities.

### **PIMCO VIT High Yield**

Seeks maximum total return, consistent with preservation of capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 80% of its assets in a diversified portfolio of high yield securities (“junk bonds”) which may be rated below investment grade but rated at least Caa by Moody’s or equivalently rated by S&P or Fitch, or , if unrated, determined by PIMCO to be of comparable quality, subject to a maximum of 5% of its total assets in securities rated Caa by Moody’s or equivalently rated by S&P or Fitch, or, if unrated, determined by PIMCO to be of comparable quality.

## **PIMCO VIT Long-Term U.S. Government (Administrative Class)**

Seeks maximum total return, consistent with preservation of capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 80% of its assets in a diversified portfolio of fixed income securities that are issued or guaranteed by the U.S. Government, its agencies or government-sponsored enterprises (“U.S. Government Securities”).

### **PIMCO VIT Low Duration (Administrative Class)**

Seeks maximum total return, consistent with preservation of capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities.

### **PIMCO VIT RealEstateRealReturn Strategy**

Seeks maximum real return consistent with prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances in real estate-linked derivative instruments backed by a portfolio of inflation-indexed securities and other Fixed Income Instruments. The Portfolio may invest in real estate-linked derivative instruments, including swap agreements, options, futures, options on futures and structured notes.

### **PIMCO VIT Real Return**

The Portfolio seeks maximum real return, consistent with preservation of real capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 80% of its net assets in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies or instrumentalities and corporations.

### **PIMCO VIT Short Term**

Seeks maximum current income, consistent with preservation of capital and daily liquidity. Invests in money market instruments and short maturity fixed income securities. The average portfolio duration will normally not exceed one year, but will vary based on PIMCO’S forecast for interest rates.

### **PIMCO VIT StockPLUS® Total Return**

Seeks total return which exceeds that of the S&P 500. The Portfolio seeks to exceed the total return of the S&P500 by investing under normal circumstances substantially all of its assets in S&P 500 derivatives, backed by a portfolio of Fixed Income Securities.

### **PIMCO VIT Total Return**

The Portfolio seeks maximum total return, consistent with preservation of capital and prudent investment management. The Portfolio seeks to achieve its investment objective by investing under normal circumstances at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities.

## **PIONEER VARIABLE CONTRACTS TRUST (Class II Shares)**

Pioneer Variable Contracts Trust is an open-ended management investment company consisting of distinct

---

investment portfolios. Pioneer Investment Management, Inc. (Pioneer) is the investment adviser to each portfolio.

#### **Pioneer Bond VCT II**

The Bond VCT II Fund seeks to provide current income from an investment grade portfolio with due regard to preservation of capital and prudent investment risks. The Bond VCT II Fund seeks a relatively stable level of dividends; however, the level of dividends will be maintained only if consistent with preserving the investment grade quality of the portfolio.

#### **Pioneer Cullen Value**

The Pioneer Cullen Value VCT Portfolio seeks capital appreciation by investing primarily in equity securities of medium and large capitalization companies. The portfolio invests primarily in equity securities. The portfolio may invest a significant portion of its assets in equity securities of medium- and large-capitalization companies. Consequently, the portfolio will be subject to the risks of investing in companies with market capitalizations of \$1.5 billion or more. Secondly, the portfolio may seek income.

#### **Pioneer Emerging Markets**

The Pioneer Emerging Markets VCT Portfolio seeks long-term growth of capital. The portfolio invests primarily in securities of emerging market issuers.

#### **Pioneer Equity Income**

The Pioneer Equity Income VCT Portfolio seeks current income and long-term growth of capital from a portfolio consisting primarily of income producing equity securities of U.S. corporations.

#### **Pioneer Fund**

The Pioneer Fund VCT Portfolio seeks reasonable income and capital growth. The portfolio invests in a broad list of carefully selected, reasonably priced securities rather than in securities whose prices reflect a premium resulting from their current market popularity. The portfolio invests the major portion of its assets in equity securities, primarily of U.S. issuers.

#### **Pioneer Global High Yield**

The Pioneer Global High Yield VCT Portfolio seeks to maximize total return through a combination of income and capital appreciation. Normally, the portfolio invests at least 80% of its total assets in below investment grade (high yield) debt securities and preferred stocks of U.S. and non-U.S. issuers, including governmental and corporate issuers in emerging markets.

#### **Pioneer High Yield**

The Pioneer High Yield VCT Portfolio seeks to maximize total return through a combination of income and capital appreciation. Normally, the portfolio invests at least 80% of its total assets in below investment grade (high yield) debt securities and preferred stocks.

#### **Pioneer International Value**

The Pioneer International Value VCT Portfolio seeks long-term growth of capital. Normally, the portfolio invests at least 80% of its total assets in equity securities of non-U.S. issuers.

#### **Pioneer Mid Cap Value**

The Pioneer Mid Cap Value VCT Portfolio seeks capital appreciation by investing in a diversified portfolio of securities consisting primarily of common stocks. Normally,

the portfolio invests at least 80% of its total assets in equity securities of mid-size companies. Mid-size companies are those with market values, at the time of investment, that do not exceed the greater of the market capitalization of the largest company within the Russell Midcap Value Index or the 3-year rolling average of the market capitalization of the largest company within the Russell Midcap Value Index as measured at the end of the preceding month, and are not less than the smallest company within the index.

#### **Pioneer Small Cap Value**

The Pioneer Small Cap Value VCT Portfolio seeks capital growth by investing in a diversified portfolio of securities consisting primarily of common stocks. Normally, the portfolio invests at least 80% of its net assets (plus the amount of borrowings, if any, for investment purposes) in equity securities of small companies.

#### **Pioneer Strategic Income**

The Pioneer Strategic Income VCT Portfolio seeks a high level of current income. Normally, the portfolio invests at least 80% of its net assets (plus the amount of borrowings, if any, for investment purposes) in debt securities.

#### **ROYCE CAPITAL FUND**

Royce Capital Fund is a registered management investment company with multiple Portfolios. Royce & Associates, LLC ("Royce") is the investment adviser and is responsible for the management of the Portfolios' assets. The following Investment Portfolios are available under the Contract:

##### **Royce Capital Fund--Micro-Cap**

This Portfolio's primary investment goal is long-term growth of capital. Royce invests the Portfolio's assets primarily in a broadly diversified portfolio of securities issued by micro-cap companies. Royce selects these securities from a universe of more than 5,500 micro-cap companies, generally focusing on factors such as balance sheet quality and cash flow levels. The Portfolio normally invests at least 80% of its net assets in the equity securities of micro-cap companies, defined by Royce as companies with stock market capitalizations less than \$500 million. Although the Portfolio normally focuses on the securities of U.S. companies, it may invest up to 10% of its assets in the securities of foreign issuers.

##### **Royce Capital Fund--Small-Cap**

This Portfolio's primary investment goal is long-term growth of capital. Royce generally looks for companies that have excellent business strengths and/or prospects for growth, high internal rates of return, and low leverage, and that are trading significantly below its estimate of their current worth. Any production of income is incidental to the Fund's investment goal. The Portfolio normally invests at least 80% of its assets in the equity securities of small-cap companies, defined as companies with stock market capitalizations of less than \$2.5 billion at the time of investment. Although the Portfolio normally focuses on the securities of U.S. companies, it may invest up to 10% of its assets in the securities of foreign issuers.

#### **RYDEX VARIABLE TRUST**

Rydex Variable Trust is a mutual fund with multiple portfolios which are managed by Rydex Investments. As of

the date of this prospectus, all of the Investment Portfolios permit active trading (other than the Rydex Sector Rotation Fund, CLS AdvisorOne Amerigo Fund, CLS AdvisorOne Clermont Fund, Rydex Absolute Return Strategies Fund, Rydex Multi-Cap Core Equity Fund, Rydex Hedged Equity Fund, Rydex Essential Portfolio Conservative, Rydex Essential Portfolio Aggressive, and Rydex Essential Portfolio Moderate which do not permit active trading) This list may change at any time without notice. For more information, see the prospectus for these Investment Portfolios. The following Investment Portfolios are available under the Contract:

#### **Rydex Absolute Return Strategies**

The Fund pursues multiple investment styles or mandates that correspond to investment strategies widely employed by hedge funds, including strategies sometimes referred to as absolute return strategies. In particular, the Fund will pursue those investment strategies that may be replicated through proprietary quantitative style analysis.

#### **Rydex Banking**

The Fund seeks to provide capital appreciation by investing in companies that are involved in the banking sector, including commercial banks (and their holding companies) and savings and loan institutions (“Banking Companies”).

#### **Rydex Basic Materials**

The Fund seeks capital appreciation by investing in companies engaged in the mining, manufacture, or sale of basic materials, such as lumber, steel, iron, aluminum, concrete, chemicals and other basic building and manufacturing materials.

#### **Rydex Biotechnology**

The Fund seeks capital appreciation by investing in companies that are involved in the biotechnology industry, including companies involved in research and development, genetic or other biological engineering, and in the design, manufacture, or sale of related biotechnology products or services.

#### **Rydex Commodities Strategy**

The Fund seeks to provide investment results that correlate to the performance of a benchmark for commodities. The Fund’s current benchmark is the GSCI® Total Return Index. It is anticipated that the Fund’s investment exposure will tend to be heavily weighted toward oil and other energy-related commodities.

#### **Rydex Consumer Products**

The Fund seeks capital appreciation by investing in companies engaged in manufacturing finished goods and services both domestically and internationally.

#### **Rydex Dow 2x Strategy (f/k/a Dynamic Dow)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark on a daily basis. The Fund’s current benchmark is 200% of the performance of the Dow Jones Industrial Average.

#### **Rydex NASDAQ-100® 2x Strategy (f/k/a Dynamic OTC)**

The Fund seeks to provide investment results that will match the performance of specific benchmark on a daily basis. The Fund’s current benchmark is 200% of the performance of the Nasdaq 100 Index®.

#### **Rydex Russell 2000® 2x Strategy (f/k/a Dynamic Russell 2000)**

The Fund seeks to provide investment results that match the performance of a specific benchmark on a daily basis. The Fund’s current benchmark is 200% of the Russell 2000® Index (the “underlying index”). If the Fund meets its objective, the value of the Fund’s shares will tend to increase on a daily basis by 200% of any increase in value of the underlying index. When the value of the underlying index declines, the value of the Fund’s shares should also decrease on a daily basis 200% of the decrease in the value of the underlying index.

#### **Rydex S&P 500 2x Strategy (f/k/a Dynamic S&P 500)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark on a daily basis. The Fund’s current benchmark is 200% of the performance of the S&P 500® Index.

#### **Rydex Strengthening Dollar 2x Strategy (f/k/a Dynamic Strengthening Dollar)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark on a daily basis. The Fund’s current benchmark is 200% of the performance of the US Dollar Index®. The US Dollar Index® (USDX) is a broad based, diversified index representing an investment in the U.S. Dollar (USD). The New York Board of Trade determines the value of the US Dollar Index® by averaging the exchange rates between the USD and the Euro, Japanese Yen, British Pound, Canadian Dollar, Swedish Krona, and Swiss Franc.

#### **Rydex Weakening Dollar 2x Strategy (f/k/a Dynamic Weakening Dollar)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark on a daily basis. The Fund’s current benchmark is 200% of the inverse (opposite) performance of the US Dollar Index®. The US Dollar Index® (USDX) is a broad based, diversified index representing an investment in the U.S. Dollar (USD). The New York Board of Trade determines the value of the US Dollar Index® by averaging the exchange rates between the USD and the Euro, Japanese Yen, British Pound, Canadian Dollar, Swedish Krona, and Swiss Franc.

#### **Rydex Electronics**

The Fund seeks capital appreciation by investing in companies that are involved in the electronics sector, including semiconductor manufacturers and distributors, and makers and vendors of other electronic components and devices.

#### **Rydex Energy**

The Fund seeks capital appreciation by investing in companies involved in the energy field, including the exploration, production, and development of oil, gas, coal and alternative sources of energy.

#### **Rydex Energy Services**

The Fund seeks capital appreciation by investing in companies that are involved in the energy services field, including those that provide services and equipment in the areas of oil, coal, and gas exploration and production.

---

### **Rydex Essential Portfolio Aggressive**

The Fund seeks growth of capital by investing principally in a diversified portfolio of underlying funds. The Fund seeks to achieve its investment objective by investing principally in a diversified portfolio of underlying funds that represent traditional asset classes, such as stocks, bonds and money market securities, a broad range of alternative assets, such as real estate investment trusts and commodity-related securities, and alternative investment strategies, such as absolute return, leveraged, and sector-based strategies, in an attempt to improve risk-adjusted returns and lower portfolio volatility.

### **Rydex Essential Portfolio Conservative**

The Fund seeks preservation of capital and secondarily long-term growth of capital by investing principally in a diversified portfolio of underlying funds. The Fund seeks to achieve its investment objective by investing principally in a diversified portfolio of underlying funds that represent traditional asset classes, such as stocks, bonds and money market securities, broad range of alternative assets, such as real estate investment trusts and commodity-related securities, and alternative investment strategies, such as absolute return, leveraged, and sector-based strategies, in an attempt to improve risk-adjusted returns and lower portfolio volatility.

### **Rydex Essential Portfolio Moderate**

The Fund seeks growth of capital and secondarily preservation of capital by investing principally in a diversified portfolio of underlying funds. The Fund seeks to achieve its investment objective by investing principally in a diversified portfolio of underlying funds that represent traditional asset classes, such as stocks, bonds and money market securities, a broad range of alternative assets, such as real estate investment trusts and commodity-related securities, and alternative investment strategies, such as absolute return, leveraged, and sector-based strategies, in an attempt to improve risk-adjusted returns and lower portfolio volatility.

### **Rydex Europe 1.25x Strategy (f/k/a Europe Advantage)**

The Fund seeks to provide investment results that correlate to a daily price movement of a specific benchmark. The Fund's current benchmark is the Dow Jones Stock 50 Index<sup>SM</sup>. The Fund's investment advisor will attempt to consistently apply leverage to increase the Fund's exposure to 125% of its benchmark.

### **Rydex Financial Services**

The Fund seeks capital appreciation by investing in companies that are involved in the financial services sector.

### **Rydex Government Long Bond 1.2x Strategy (f/k/a Government Long Bond Advantage)**

The Fund seeks to provide investment results that correspond to a benchmark for U.S. Government securities. The Fund's current benchmark is 120% of the price movement of the Long Treasury Bond.

### **Rydex Health Care**

The Fund seeks capital appreciation by investing in companies that are involved in the health care industry.

### **Rydex Hedged Equity**

The Fund seeks to provide capital appreciation consistent with the return and risk characteristics of the long/short hedge fund universe. The secondary objective is to achieve these returns with low correlation to and less volatility than equity indices.

The Fund pursues a long/short investment strategy by employing multiple investment styles widely used by hedge funds. In particular, the Fund will pursue those long/short investment styles that may be replicated through proprietary quantitative style analysis.

### **Rydex Internet**

The fund seeks capital appreciation by investing in companies that provide products or services designed for or related to the Internet.

### **Rydex Inverse Dow 2x Strategy (f/k/a Inverse Dynamic Dow)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark on a daily basis. The Fund's current benchmark is 200% of the inverse (opposite) performance of the Dow Jones Industrial Average.

### **Rydex Inverse Government Long Bond Strategy (f/k/a Inverse Government Long Bond)**

The Fund seeks to provide total returns that will inversely correlate to the price movements of a benchmark for U.S. Treasury debt instruments or futures contract on a specified debt instrument. The Fund's current benchmark is the inverse of the daily price movement of the Long Treasury Bond.

### **Rydex Inverse Mid-Cap Strategy (f/k/a Inverse Mid-Cap)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark. The Fund's current benchmark is the inverse of the performance of the S&P MidCap 400 Index (the "underlying index"). Unlike a traditional index fund, the Fund's objective is to perform exactly the opposite of the underlying index.

### **Rydex Inverse NASDAQ-100® Strategy (f/k/a Inverse OTC)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark. The Fund's current benchmark is the inverse of the performance of the Nasdaq 100 Index® (the "underlying index"). Unlike a traditional index fund, the Inverse NASDAQ-100 Strategy Fund's benchmark is to perform exactly opposite the underlying index.

### **Rydex Inverse Russell 2000® Strategy (f/k/a Inverse Russell 2000)**

The Fund seeks to provide investment results that will match the performance of a specific benchmark. The Fund's current benchmark is inverse of the performance of the Russell 2000 Index® (the "underlying index"). Unlike a traditional index fund, the Fund's objective is to perform exactly the opposite of the underlying index.

### **Rydex Inverse S&P 500 Strategy (f/k/a Inverse S&P 500)**

The Fund seeks to provide investment results that will inversely correlate to the performance of the S&P 500® Index. Unlike a traditional index fund, the Fund's benchmark is to perform exactly opposite the underlying index.

### **Rydex Japan 1.25x Strategy (f/k/a Japan Advantage)**

The Fund seeks to provide investment results that correlate to a daily price movement of a specific benchmark. The Fund's current benchmark is the Topix 100 Index. The Fund's investment advisor will attempt to consistently apply leverage to increase the Fund's exposure to 125% of its benchmark.

### **Rydex Large Cap Growth**

The Fund seeks to provide investment results that match the

---

performance of a benchmark for large cap growth securities. The Fund's current benchmark is the S&P 500/Citigroup Pure Growth Index.

**Rydex Large Cap Value**

The Fund seeks to provide investment results that match the performance of a benchmark for large cap value securities. The Fund's current benchmark is the S&P 500/Citigroup Pure Value Index.

**Rydex Leisure**

The Fund seeks capital appreciation by investing in companies engaged in leisure and entertainment businesses.

**Rydex Mid-Cap 1.5x Strategy (f/k/a Mid-Cap Advantage)**

The Fund seeks to provide investment results that correlate to the performance of a specific benchmark for mid-cap securities. The Fund's current benchmark is the S&P MidCap 400® Index. The Fund's investment advisor will attempt to consistently apply leverage to increase the Fund's exposure to 150% of its benchmark.

**Rydex Mid-Cap Growth**

The Fund seeks to provide investment results that match the performance of a benchmark for mid cap growth securities. The Fund's current benchmark is the S&P MidCap 400/Citigroup Pure Growth Index.

**Rydex Mid-Cap Value**

The Fund seeks to provide investment results that match the performance of a benchmark for mid cap value securities. The Fund's current benchmark is the S&P MidCap 400/Citigroup Pure Value Index (the "underlying index").

**Rydex Multi-Cap Core Equity**

The Fund seeks long-term capital appreciation. It invests in a broad mix of equity securities of companies representative of the total US stock market as measured by the Russell 3000® Index. The Fund pursues its investment objective by investing in securities with the small, medium, and large market capitalization segments that demonstrate value and potential for growth.

**Rydex Nova**

The Fund seeks to provide investment results that match the performance of a specific benchmark on a daily basis. The Fund's current benchmark is 150% of the performance of the S&P 500® Index (the "underlying index").

**Rydex NASDAQ-100® Strategy (f/k/a OTC)**

The Fund seeks to provide investment results that correspond to a benchmark for over-the-counter securities. The Fund's current benchmark is the Nasdaq 100 Index® (the "underlying index").

**Rydex Precious Metals**

The Fund seeks to provide capital appreciation by investing in U.S. and foreign companies that are involved in the precious metals sector, including exploration, mining, production and development, and other precious metals-related services.

**Rydex Real Estate**

The Fund seeks to provide capital appreciation by investing in companies that are involved in the real estate industry including real estate investment trusts.

**Rydex Retailing**

The Fund seeks capital appreciation by investing in companies engaged in merchandising finished goods and

services, including department stores, restaurant franchises, mail order operations and other companies involved in selling products to consumers.

**Rydex Russell 2000® 1.5x Strategy (f/k/a Russell 2000 Advantage)**

The Fund seeks to provide investment results that correlate to the performance of a specific benchmark for small-cap securities. The Fund's current benchmark is the Russell 2000 Index®. The Fund's investment advisor will attempt to consistently apply leverage to increase the Fund's exposure to 150% of its benchmark.

**Rydex Sector Rotation**

The Fund seeks long term capital appreciation. The Fund seeks to respond to the dynamically changing economy by moving its investments among different sectors or industries.

**Rydex Small-Cap Growth**

The Fund seeks to provide investment results that match the performance of a benchmark for small cap growth securities. The Fund's current benchmark is the S&P SmallCap 600/Citigroup Pure Growth Index.

**Rydex Small-Cap Value**

The Fund seeks to provide investment results that match the performance of a benchmark for small cap value securities. The Fund's current benchmark is the S&P SmallCap 600/Citigroup Pure Value Index.

**Rydex Technology**

The Fund seeks capital appreciation by investing in companies that are involved in the technology sector, including computer software and service companies, semiconductor manufacturers, networking and telecommunications equipment manufacturers, PC hardware and peripherals companies.

**Rydex Telecommunications**

The Fund seeks capital appreciation by investing in companies engaged in the development, manufacture, or sale of communications services or communications equipment.

**Rydex Transportation**

The Fund seeks capital appreciation by investing in companies engaged in providing transportation services or companies engaged in the design, manufacture, distribution, or sale of transportation equipment.

**Rydex U.S. Government Money Market**

The U.S. Government Money Market Fund seeks to provide security of principal, high current income, and liquidity. The U.S. Government Money Market Fund invests primarily in money market instruments issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities, and enters into repurchase agreements fully collateralized by U.S. Government securities.

**Rydex Utilities**

The Fund seeks capital appreciation by investing in companies that operate public utilities.

**Rydex Variable Trust Alternative Strategies Allocation**

The Fund seeks to deliver a return that has a low correlation to the returns of traditional stock and bond asset classes as well as provide capital appreciation by investing in principally in a diversified portfolio of funds that represent alternative and non-traditional asset classes and/or strategies in an attempt to deliver low correlation to traditional stock and bond asset

classes and long-term positive returns.

#### **Rydex Variable Trust International Rotation**

The Fund seeks long term capital appreciation by investing in exchange-traded funds (“ETFs”) and other financial instruments that: (1) provide exposure to, or closely correlate with, the performance of certain foreign countries included in the MSCI World ex-US Index (the “Index”) and (2) have the potential to generate returns, before fees and expenses, in excess to those of the Index.

#### **CLS AdvisorOne Amerigo**

The Fund seeks long-term growth of capital without regard to current income. The Fund invests in Underlying Funds that seek capital growth or appreciation by investing in common stock or securities convertible into or exchangeable for common stock (such as convertible preferred stock, convertible debentures or warrants), including the stock of foreign issuers, or in individual securities that may provide capital growth or appreciation.

#### **CLS AdvisorOne Clermont**

The objective of the Clermont Fund is a combination of current income and growth of capital. The Fund’s principal investment strategies include: Investing in Underlying Funds that seek capital growth or appreciation by investing in common stock or securities convertible into or exchangeable for common stock (such as convertible preferred stock, convertible debentures or warrants), including the stock of foreign issuers, or in individual securities that may provide capital growth or appreciation. Investing at least 20% of its total assets in Underlying Funds that invest in long, medium, or short-term bonds and other fixed income securities of varying qualities in order to maximize the Fund’s total return, or in individual securities that may provide current income. Some of the Underlying Funds in which the Fund invests may invest part or all of their assets in securities of foreign issuers or engage in foreign currency transactions with respect to these investments. The Fund may also invest in individual securities of foreign issuers and engage in foreign currency transactions. The Fund may invest up to 80% of its total assets in Underlying Funds that invest in futures contracts and options on futures contracts, or invest directly in futures contracts and options on futures contracts.

#### **SELIGMAN PORTFOLIOS, INC.**

Seligman Portfolios, Inc. is a mutual fund with multiple portfolios which are managed by J. & W. Seligman & Co. Incorporated. The following Investment Portfolios are available under the Contract:

#### **Seligman Communications and Information**

The Seligman Communications and Information Portfolio seeks capital gain. The Portfolio invests at least 80% of its net assets in securities of companies operating in the communications, information and related industries.

#### **Seligman Global Technology**

The Seligman Global Technology Portfolio seeks long-term capital appreciation. The Portfolio generally invests at least 80% of its net assets in equity securities of U.S. and non-U.S. companies with business operations in technology and technology-related industries.

#### **Seligman Large Cap Value (Class I)**

The Fund’s investment objective is long-term capital

appreciation. The Portfolio generally invests at least 80% of its net assets in the common stock of “value” companies with large market capitalization (\$4 billion or more) at the time of purchase by the Portfolio.

#### **Seligman Small Cap Value (Class I)**

The Fund’s investment objective is long-term capital appreciation. The Portfolio generally invests at least 80% of its net assets in the common stock of “value” companies with smaller market capitalization (\$3 billion or less) at the time of purchase by the Portfolio.

#### **THIRD AVENUE VARIABLE SERIES TRUST**

The Third Avenue Variable Series Trust is a mutual fund with one portfolio. Third Avenue Management LLC is the investment adviser for the Portfolio and is responsible for the management of the Portfolio’s investments. The following Investment Portfolio is available under the Contract:

#### **Third Avenue Value**

The Third Avenue Value Portfolio seeks long-term capital appreciation. The Portfolio seeks to achieve its objective mainly by acquiring common stocks of well-financed companies (meaning companies without significant liabilities in comparison to their overall resources) at a discount to what the adviser believes is their intrinsic value. The Portfolio also seeks to acquire senior securities, such as preferred stocks and debt instruments (including high yield securities) that the adviser believes are undervalued.

#### **T. ROWE PRICE EQUITY SERIES, INC.**

T. Rowe Price Equity Series, Inc. (the “corporation”) was incorporated in Maryland in 1994. Currently the corporation consists of seven series, each representing a separate pool of assets with different investment objectives and policies. In 2002, the Equity Income Portfolio issued a separate class of shares known as the II Class.

#### **T. Rowe Price Blue Chip Growth II**

The fund seeks long-term growth of capital by investing primarily in common stocks of well-established large and medium-sized companies with the potential for above-average earnings increases. Current income is a secondary objective. The investment is appropriate for investors in the variable annuity who seek capital appreciation over time and can accept the price volatility inherent in common stock investing. Additionally, the II class is a share class of the Blue Chip Growth Portfolio and is not a separate mutual fund. The class should be used as an investment option for variable annuity and variable life insurance contracts.

#### **T. Rowe Price Equity Income II**

The fund seeks to provide substantial dividend income as well as long-term growth of capital through investments in the common stocks of established companies. In selecting such stocks, the fund emphasizes companies that appear to be temporarily undervalued by various measures, such as price/earnings (P/E) ratios. The fund is intended for investors who can accept the price volatility inherent in common stock investing. Additionally, the II class is a share class of the Equity Income Portfolio and is not a separate mutual fund. The class should be used as an investment option for variable annuity and variable life insurance contracts.

#### **T. Rowe Price Health Sciences II**

The fund seeks long-term growth of capital by investing at

least 80% of net assets in common stocks of companies engaged in the research, development, production, or distribution of products or services related to health care, medicine, and the life sciences. The fund focuses primarily on U.S. stocks but may also invest up to 35% of assets in foreign securities. While the fund may purchase small-company stocks, its primary focus should be large and mid-size companies. It is intended for long-term investors who can accept the higher risks inherent in a fund that concentrates on a volatile area of the stock market. Additionally, the II class is a share class of the Health Sciences Portfolio and is not a separate mutual fund. The class should be used as an investment option for variable annuity and variable life insurance contracts.

#### **T. ROWE PRICE FIXED INCOME SERIES, INC.**

T. Rowe Price Fixed Income Series, Inc. (the "corporation"), was incorporated in Maryland in 1994. Currently, the corporation consists of two series, each representing a separate portfolio having different objectives and investment policies. In 2005, the Limited-Term Bond Portfolio issued a separate class of shares known as the II class.

#### **T. Rowe Price Limited-Term Bond -II**

The Limited-Term Bond Portfolio II seeks a high level of income consistent with moderate fluctuations in principal value. Normally, the fund invests at least 80% of its net assets in bonds and 65% of its total assets in short- and intermediate-term bonds. The fund's average effective maturity will not exceed five (5) years. The fund is designed for individuals seeking a higher level of income than money market funds provide and who are able to accept the risk of modest price declines. Additionally, the II class is a share class of the Limited-Term Bond Portfolio and is not a separate mutual fund. The class should be used as an investment option for variable annuity and variable life insurance contracts.

#### **VAN ECK WORLDWIDE INSURANCE TRUST**

Van Eck Worldwide Insurance Trust is a mutual fund with multiple portfolios. Van Eck Associates Corporation serves as investment adviser to the funds. The following Investment Portfolios are available under the Contract:

##### **Van Eck Worldwide Absolute Return**

The Van Eck Worldwide Absolute Return Fund seeks to achieve consistent absolute (positive) returns in various market cycles. The Fund's objective is fundamental and may only be changed with the approval of shareholders.

##### **Van Eck Worldwide Bond**

The Van Eck Worldwide Bond Fund seeks high total return—income plus capital appreciation—by investing globally, primarily in a variety of debt securities.

##### **Van Eck Worldwide Emerging Markets**

The Van Eck Worldwide Emerging Markets Fund seeks long-term capital appreciation by investing primarily in equity securities in emerging markets around the world.

##### **Van Eck Worldwide Hard Assets**

The Van Eck Worldwide Hard Assets Fund seeks long-term capital appreciation by investing primarily in hard asset securities. Income is a secondary consideration.

##### **Van Eck Worldwide Real Estate**

The Van Eck Worldwide Real Estate Fund seeks to

maximize return by investing in equity securities of domestic and foreign companies that own significant real estate assets or that principally are engaged in the real estate industry.

#### **VANGUARD VARIABLE INSURANCE FUNDS**

##### **Vanguard Balanced Portfolio**

The Portfolio seeks to provide long-term capital appreciation and reasonable current income by investing 60% to 70% of its assets in dividend-paying and, to a lesser extent, non-dividend-paying common stocks of established, medium-size and large companies. In choosing these companies, the advisor seeks those that appear to be undervalued but have prospects for improvement. These stocks are commonly referred to as value stocks. The remaining 30% to 40% of portfolio assets are invested mainly in fixed income securities that the advisor believes will generate a reasonable level of current income.

##### **Vanguard Capital Growth**

The Portfolio seeks to provide long-term capital appreciation by investing in stocks considered to have above-average earnings growth potential that is not reflected in their current market prices. The portfolio consists predominantly of mid- and large-capitalization stocks.

##### **Vanguard Diversified Value**

The Portfolio seeks to provide long-term capital appreciation and income by investing mainly in large and mid-capitalization companies whose stocks are considered by the advisor to be undervalued. Undervalued stocks are generally those that are out of favor with investors and that the advisor feels are trading at below average prices in relation to such measures as earnings and book value. These stocks often have above-average dividend yields.

##### **Vanguard Equity Index**

The Portfolio seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks by employing a "passive management"—or indexing—investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies.

##### **Vanguard International**

The Portfolio seeks to provide long-term capital appreciation by investing predominantly in the stocks of companies located outside the United States. In selecting stocks, the Portfolio's advisors evaluate foreign markets around the world and choose companies with above-average growth potential.

##### **Vanguard Short-Term Investment Grade**

The Portfolio seeks to provide long-term capital appreciation by investing predominantly in the stocks of companies located outside the United States. In selecting stocks, the Portfolio's advisors evaluate foreign markets around the world and choose companies with above-average growth potential.

##### **Vanguard Small Company Growth**

The Portfolio seeks to provide long-term capital appreciation by investing at least 80% of its assets primarily in common stocks of smaller companies. These companies tend to be unseasoned but are considered by the portfolio's advisors to have superior growth potential. Also, these companies often

---

provide little or no dividend income.

**Vanguard Total Bond Market**

The Portfolio seeks to track the performance of a broad, market-weighted bond index by employing a “passive management”—or indexing—investment approach designed to track the performance of the Lehman U.S. Aggregate Bond Index. This index measures a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities, all with maturities of more than 1 year.

**Vanguard Total Stock Market Index**

The Portfolio seeks to track the performance of a benchmark index that measures the investment return of the overall stock market by employing a “passive management”—or indexing—investment approach designed to track the performance of the Standard & Poor’s (S&P) Total Market Index by investing all, or substantially all, of its assets in two Vanguard funds—Vanguard Variable Insurance Fund—Equity Index Portfolio and Vanguard Extended Market Index Fund.

**WELLS FARGO ADVANTAGE FUNDS**

The Wells Fargo Advantage Funds referenced below are managed by Wells Fargo Funds Management, LLC and sub advised by Wells Capital Management Incorporated The following Funds are available under the Contract:

**Wells Fargo Advantage Small/Mid Cap Value**

The VT Small/Mid Cap Value Fund seeks long-term capital appreciation. The VT Small/Mid Cap Value Fund will invest at least 80% of the Fund’s net assets in equity securities of small and medium capitalization companies and up to 30% of the Fund’s total assets in equity securities of foreign issuers, including ADRs and similar investments.

**Wells Fargo Advantage VT Opportunity**

The Wells Fargo Advantage VT Opportunity Fund seeks

long-term capital appreciation. We invest in equity securities of medium-capitalization companies that we believe are under-priced yet, have attractive growth prospects. We base the analysis on a comparison between the company’s public value, based on market quotations, with its “private market value”—the price an investor would be willing to pay for the entire company given its management strength, financial health and growth potential. We determine a company’s private market value based on a fundamental analysis of a company’s cash flows, asset valuations, competitive situation, and franchise value.

**Wells Fargo Advantage VT Discovery**

The Wells Fargo Advantage VT Discovery Fund seeks long-term capital appreciation. We invest principally in securities of small- and medium-capitalization companies that we believe offer attractive opportunities for growth. We define small- and medium-capitalization companies as those with market capitalizations equal to or lower than the company with the largest market capitalization in the Russell Midcap® Index, at the time of purchase. The largest capitalization was \$16.5 billion as of June 30, 2006, and is expected to change frequently. We analyze potential investment opportunities by using a disciplined investment process that emphasizes in-depth fundamental analysis across multiple dimensions such as visits with company management, suppliers/distributors, competitors and customers as well as detailed analysis of a company’s financial statements. We select securities that exhibit the strongest sustainable growth characteristics such as earnings growth, returns on invested capital and competitive positioning. We may invest in any sector, and at times we may emphasize on or more particular sectors. We also may invest up to 25% of the Fund's assets in foreign securities through ADRs and similar investments.

**APPENDIX B – CONDENSED FINANCIAL INFORMATION****Accumulation Unit Value History**

The following schedule includes Accumulation Unit values for the periods indicated. This data has been taken from the Jefferson National Life Annuity Account G's financial statements. This information should be read in conjunction with Jefferson National Life Annuity Account G's financial statements and related notes which are included in the Statement of Additional Information. The tables below provide per unit information about the financial history of each Sub-Account for the periods ended December 31. Inception date is May 1, 2005 unless otherwise noted.

	2007	2006	2005
<b>AIM VARIABLE INSURANCE FUNDS:</b>			
<b><u>Basic Value Fund</u></b>			
Beginning AUV	\$12.469	\$11.040	\$10.160
Ending AUV	\$12.639	\$12.469	\$11.040
Ending number of AUs (000s)	15	9	11
<b><u>Capital Development Fund (inception date November 9, 2007)</u></b>			
Beginning AUV	9.845	N/A	N/A
Ending AUV	9.874	N/A	N/A
Ending number of AUs (000s)	0	N/A	N/A
<b><u>Core Equity Fund (inception date April 28, 2006)</u></b>			
Beginning AUV	\$10.964	\$10.044	N/A
Ending AUV	\$11.854	\$10.964	N/A
Ending number of AUs (000s)	10	7	N/A
<b><u>Financial Services Fund</u></b>			
Beginning AUV	\$13.238	\$11.369	\$10.242
Ending AUV	\$10.297	\$13.238	\$11.369
Ending number of AUs (000s)	0	3	14
<b><u>Global Health Care Fund</u></b>			
Beginning AUV	\$11.864	\$11.274	\$10.127
Ending AUV	\$13.271	\$11.864	\$11.274
Ending number of AUs (000s)	11	3	1
<b><u>Global Real Estate Fund</u></b>			
Beginning AUV	\$16.709	\$11.717	\$10.091
Ending AUV	\$15.784	\$16.709	\$11.717
Ending Number of AUs (000s)	169	76	4
<b><u>Government Securities Fund (inception date November 9, 2007)</u></b>			
Beginning AUV	\$10.008	N/A	N/A
Ending AUV	\$10.127	N/A	N/A
Ending number of AUs (000s)	0	N/A	N/A
<b><u>High Yield Fund</u></b>			
Beginning AUV	\$11.572	\$10.450	\$10.032
Ending AUV	\$11.716	\$11.572	\$10.450
Ending number of AUs (000s)	63	223	316

	2007	2006	2005
<b>AIM VARIABLE INSURANCE FUNDS (continued):</b>			
<b><u>International Growth Fund (inception date November 9, 2007)</u></b>			
Beginning AUV	\$9.814	N/A	N/A
Ending AUV	\$9.668	N/A	N/A
Ending number of AUs (000s)	1	N/A	N/A
<b><u>Mid Cap Core Equity Fund</u></b>			
Beginning AUV	\$12.185	\$10.979	\$10.102
Ending AUV	\$13.316	\$12.185	\$10.979
Ending number of AUs (000s)	35	5	-
<b><u>Technology Fund</u></b>			
Beginning AUV	\$12.815	\$11.600	\$10.155
Ending AUV	\$13.803	\$12.815	\$11.600
Ending number of AUs (000s)	2	22	20
<b>THE ALGER AMERICAN FUND:</b>			
<b><u>Growth Portfolio</u></b>			
Beginning AUV	\$12.420	\$11.812	\$10.165
Ending AUV	\$14.898	\$12.420	\$11.812
Ending number of AUs (000s)	110	28	23
<b><u>Capital Appreciation Portfolio</u></b>			
Beginning AUV	\$14.378	\$12.055	\$10.149
Ending AUV	\$19.199	\$14.378	\$12.055
Ending number of AUs (000s)	300	11	12
<b><u>MidCap Growth Portfolio</u></b>			
Beginning AUV	\$13.097	\$11.891	\$10.146
Ending AUV	\$17.231	\$13.097	\$11.891
Ending number of AUs (000s)	194	17	-
<b><u>SmallCap Growth Portfolio</u></b>			
Beginning AUV	\$15.263	\$12.718	\$10.172
Ending AUV	\$17.895	\$15.263	\$12.718
Ending number of AUs (000s)	65	48	11
<b>ALLIANCEBERNSTEIN VARIABLE PRODUCTS SERIES FUND, INC.</b>			
<b><u>Growth and Income Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$11.155	\$9.958	N/A
Ending AUV	\$11.726	\$11.155	N/A
Ending number of AUs (000s)	39	8	N/A
<b><u>Small-Mid Cap Value Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.516	\$10.000	N/A
Ending AUV	\$10.677	\$10.516	N/A
Ending number of AUs (000s)	83	1	N/A

**AMERICAN CENTURY VARIABLE PORTFOLIOS, INC.:**

**VP Balanced Fund**

Beginning AUV	\$11.678	\$10.653	\$10.071
Ending AUV	\$12.255	\$11.678	\$10.653

Ending number of AUs (000s)	101	39	-
-----------------------------	-----	----	---

**VP Income & Growth Fund**

Beginning AUV	\$12.616	\$10.775	\$10.115
Ending AUV	\$12.607	\$12.616	\$10.775

Ending number of AUs (000s)	89	48	11
-----------------------------	----	----	----

**VP Inflation Protection Fund**

Beginning AUV	\$10.234	\$10.076	\$10.011
Ending AUV	\$11.207	\$10.234	\$10.076

Ending number of AUs (000s)	106	8	7
-----------------------------	-----	---	---

**VP International Fund**

Beginning AUV	\$14.574	\$11.657	\$10.142
Ending AUV	\$17.206	\$14.574	\$11.657

Ending number of AUs (000s)	156	47	-
-----------------------------	-----	----	---

**VP Large Company Value Fund (inception date May 1, 2007)**

Beginning AUV	\$10.037	N/A	N/A
Ending AUV	\$9.457	N/A	N/A

Ending number of AUs (000s)	3	N/A	N/A
-----------------------------	---	-----	-----

**VP Ultra Fund (inception date May 1, 2007)**

Beginning AUV	\$10.019	N/A	N/A
Ending AUV	\$11.638	N/A	N/A

Ending number of AUs (000s)	117	N/A	N/A
-----------------------------	-----	-----	-----

**VP Value Fund**

Beginning AUV	\$12.802	\$10.789	\$10.145
Ending AUV	\$12.144	\$12.802	\$10.789

Ending number of AUs (000s)	101	96	15
-----------------------------	-----	----	----

**VP Vista Fund (inception date May 1, 2007)**

Beginning AUV	\$9.972	N/A	N/A
Ending AUV	\$12.479	N/A	N/A

Ending number of AUs (000s)	33	N/A	N/A
-----------------------------	----	-----	-----

**CREDIT SUISSE TRUST:**

**Commodity Return Strategy Portfolio (inception date May 1, 2006)**

Beginning AUV	\$9.713	\$10.138	N/A
Ending AUV	\$11.396	\$9.713	N/A

Ending number of AUs (000s)	23	2	N/A
-----------------------------	----	---	-----

**DIREXION INSURANCE TRUST:**

**Dynamic VP HY Bond Fund**

Beginning AUV	\$11.120	\$10.470	\$10.072
Ending AUV	\$10.923	\$11.120	\$10.470

Ending number of AUs (000s)	284	96	9
-----------------------------	-----	----	---

**Evolution VP All Cap Equity Fund (inception date November 14, 2006)**

Beginning AUV	\$10.303	\$10.015	N/A
Ending AUV	\$10.623	\$10.303	N/A

Ending number of AUs (000s)	17	46	N/A
-----------------------------	----	----	-----

**Evolution VP Managed Bond Fund (inception date November 14, 2006)**

Beginning AUV	\$9.993	\$10.123	N/A
Ending AUV	\$10.107	\$9.993	N/A

Ending number of AUs (000s)	9	24	N/A
-----------------------------	---	----	-----

**THE DREYFUS INVESTMENT PORTFOLIOS:**

**Small Cap Stock Index Portfolio**

Beginning AUV	\$13.135	\$11.481	\$10.172
Ending AUV	\$13.049	\$13.135	\$11.481

Ending number of AUs (000s)	158	66	7
-----------------------------	-----	----	---

**THE DREYFUS SOCIALLY RESPONSIBLE GROWTH FUND, INC.**

Beginning AUV	\$11.941	\$10.935	\$10.101
Ending AUV	\$12.871	\$11.941	\$10.935

Ending number of AUs (000s)	3	-	-
-----------------------------	---	---	---

**DREYFUS STOCK INDEX FUND**

Beginning AUV	\$12.556	\$10.871	\$10.125
Ending AUV	\$13.216	\$12.556	\$10.871

Ending number of AUs (000s)	779	301	12
-----------------------------	-----	-----	----

**DREYFUS VARIABLE INVESTMENT FUND:**

**International Value Portfolio**

Beginning AUV	\$14.024	\$11.439	\$10.118
Ending AUV	\$14.606	\$14.024	\$11.439

Ending number of AUs (000s)	384	157	19
-----------------------------	-----	-----	----

**FEDERATED INSURANCE SERIES:**

**Capital Income Fund II**

Beginning AUV	\$12.441	\$10.758	\$10.072
Ending AUV	\$12.943	\$12.441	\$10.758

Ending number of AUs (000s)	59	43	-
-----------------------------	----	----	---

	2007	2006	2005
<b>FEDERATED INSURANCE SERIES (continued):</b>			
<b><u>High Income Bond Fund II</u></b>			
Beginning AUV	\$11.716	\$10.574	\$10.014
Ending AUV	\$12.118	\$11.716	\$10.574
Ending number of AUs (000s)	120	96	12
<b><u>International Equity Fund II</u></b>			
Beginning AUV	\$13.650	\$11.481	\$10.135
Ending AUV	\$14.953	\$13.650	\$11.481
Ending number of AUs (000s)	73	3	16
<b><u>Kaufmann Fund II (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.542	\$9.935	N/A
Ending AUV	\$12.717	\$10.542	N/A
Ending number of AUs (000s)	37	-	N/A
<b><u>Market Opportunity Fund II (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.164	\$10.010	N/A
Ending AUV	\$10.013	\$10.164	N/A
Ending number of AUs (000s)	8	-	N/A
<b>JANUS ASPEN SERIES- Institutional:</b>			
<b><u>Balanced Portfolio (inception date May 1, 2007)</u></b>			
Beginning AUV	\$9.993	N/A	N/A
Ending AUV	\$10.489	N/A	N/A
Ending number of AUs (000s)	66	N/A	N/A
<b><u>Forty Portfolio (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.000	N/A	N/A
Ending AUV	\$12.795	N/A	N/A
Ending number of AUs (000s)	29	N/A	N/A
<b><u>Global Life Sciences Portfolio (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.009	N/A	N/A
Ending AUV	\$10.972	N/A	N/A
Ending number of AUs (000s)	3	N/A	N/A
<b><u>Growth and Income Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.040	\$9.989	N/A
Ending AUV	\$10.920	\$10.040	N/A
Ending number of AUs (000s)	161	35	N/A
<b><u>International Growth Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$11.686	\$10.034	N/A
Ending AUV	\$14.995	\$11.686	N/A
Ending number of AUs (000s)	606	283	N/A

	2007	2006	2005
<b>JANUS ASPEN SERIES- Institutional : (Continued)</b>			
<b><u>Large Cap Growth Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.489	\$9.959	N/A
Ending AUV	\$12.072	\$10.489	N/A
Ending number of AUs (000s)	82	60	N/A
<b><u>Mid Cap Growth Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.544	\$9.930	N/A
Ending AUV	\$12.867	\$10.544	N/A
Ending number of AUs (000s)	117	38	N/A
<b><u>Mid Cap Value Portfolio (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.006	N/A	N/A
Ending AUV	\$9.998	N/A	N/A
Ending number of AUs (000s)	60	N/A	N/A
<b><u>Worldwide Growth Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$11.184	\$9.970	N/A
Ending AUV	\$12.261	\$11.184	N/A
Ending number of AUs (000s)	150	85	N/A
<b>JANUS ASPEN SERIES- Service:</b>			
<b><u>INTECH Risk-Managed Core Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.584	\$9.954	N/A
Ending AUV	\$11.233	\$10.584	N/A
Ending number of AUs (000s)	6	-	N/A
<b><u>INTECH Risk-Managed Growth Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.379	\$9.949	N/A
Ending AUV	\$11.405	\$10.379	N/A
Ending number of AUs (000s)	2	2	N/A
<b><u>Small Company Value Portfolio (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.019	N/A	N/A
Ending AUV	\$8.987	N/A	N/A
Ending number of AUs (000s)	7	N/A	N/A
<b>LAZARD RETIREMENT SERIES INC.:</b>			
<b><u>Emerging Markets Equity Portfolio</u></b>			
Beginning AUV	\$18.085	\$13.917	\$10.227
Ending AUV	\$24.108	\$18.085	\$13.917
Ending number of AUs (000s)	173	247	25
<b><u>International Equity Portfolio</u></b>			
Beginning AUV	\$14.030	\$11.450	\$10.148
Ending AUV	\$15.543	\$14.030	\$11.450
Ending number of AUs (000s)	143	141	4

	2007	2006	2005
<b>LAZARD RETIREMENT SERIES INC. (continued):</b>			
<b><u>U.S. Small Cap Equity Portfolio</u></b>			
Beginning AUV	\$13.018	\$11.216	\$10.147
Ending AUV	\$12.081	\$13.018	\$11.216
Ending number of AUs (000s)	8	67	-
<b><u>US Strategic Equity Portfolio</u></b>			
Beginning AUV	\$12.566	\$10.696	\$10.116
Ending AUV	\$12.446	\$12.566	\$10.696
Ending number of AUs (000s)	23	18	1
<b>LEGG MASON PARTNERS VARIABLE EQUITY TRUST:</b>			
<b><u>Aggressive Growth Portfolio (inception date April 30, 2007)</u></b>			
Beginning AUV	\$9.900	N/A	N/A
Ending AUV	\$9.649	N/A	N/A
Ending number of AUs (000s)	29	N/A	N/A
<b><u>Capital and Income Portfolio (inception date April 30, 2007)</u></b>			
Beginning AUV	\$9.953	N/A	N/A
Ending AUV	\$10.108	N/A	N/A
Ending number of AUs (000s)	47	N/A	N/A
<b><u>Fundamental Value Portfolio (inception date April 30, 2007)</u></b>			
Beginning AUV	\$9.904	N/A	N/A
Ending AUV	\$9.588	N/A	N/A
Ending number of AUs (000s)	18	N/A	N/A
<b><u>Large Cap Growth Portfolio (inception date April 30, 2007)</u></b>			
Beginning AUV	\$9.897	N/A	N/A
Ending AUV	\$10.016	N/A	N/A
Ending number of AUs (000s)	26	N/A	N/A
<b>LEGG MASON PARTNERS VARIABLE INCOME TRUST:</b>			
<b><u>Global High Yield Bond Portfolio</u></b>			
Beginning AUV	\$11.760	\$10.629	\$10.041
Ending AUV	\$11.752	\$11.760	\$10.629
Ending number of AUs (000s)	29	23	48
<b><u>Strategic Bond Portfolio</u></b>			
Beginning AUV	\$10.752	\$10.237	\$10.018
Ending AUV	\$10.966	\$10.752	\$10.237
Ending number of AUs (000s)	108	81	7
<b>LORD ABBETT SERIES FUND, INC. :</b>			
<b><u>America's Value Portfolio</u></b>			
Beginning AUV	\$12.270	\$10.712	\$10.097
Ending AUV	\$12.658	\$12.270	\$10.712
Ending number of AUs (000s)	24	5	-

	2007	2006	2005
<b>LORD ABBETT SERIES FUND, INC. (continued):</b>			
<b><u>Bond Debenture Portfolio (inception date November 9, 2007)</u></b>			
Beginning AUV	\$9.976	N/A	N/A
Ending AUV	\$9.970	N/A	N/A
Ending number of AUs (000s)	0	N/A	N/A
<b><u>Growth and Income Portfolio</u></b>			
Beginning AUV	\$12.633	\$10.773	\$10.115
Ending AUV	\$13.068	\$12.633	\$10.773
Ending number of AUs (000s)	121	42	1
<b><u>International Portfolio (inception date November 9, 2007)</u></b>			
Beginning AUV	\$9.766	N/A	N/A
Ending AUV	\$9.398	N/A	N/A
Ending number of AUs (000s)	6	N/A	N/A
<b><u>Large Cap Core Portfolio (inception date November 9, 2007)</u></b>			
Beginning AUV	\$9.835	N/A	N/A
Ending AUV	\$10.072	N/A	N/A
Ending number of AUs (000s)	0	N/A	N/A
<b>NATIONWIDE VARIABLE INSURANCE TRUST:</b>			
<b><u>Bond Index Fund (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.000	N/A	N/A
Ending AUV	\$10.478	N/A	N/A
Ending number of AUs (000s)	69	N/A	N/A
<b><u>International Index Fund (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.009	N/A	N/A
Ending AUV	\$10.181	N/A	N/A
Ending number of AUs (000s)	147	N/A	N/A
<b><u>Mid Cap Index Fund (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.030	N/A	N/A
Ending AUV	\$9.891	N/A	N/A
Ending number of AUs (000s)	21	N/A	N/A
<b><u>S&amp;P 500 Index Fund (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.029	N/A	N/A
Ending AUV	\$10.014	N/A	N/A
Ending number of AUs (000s)	317	N/A	N/A
<b><u>Small Cap Index Fund (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.020	N/A	N/A
Ending AUV	\$9.460	N/A	N/A
Ending number of AUs (000s)	22	N/A	N/A

	2007	2006	2005
<b>NEUBERGER BERMAN ADVISERS MANAGEMENT TRUST:</b>			
<b><u>Lehman Brothers High Income Bond Portfolio</u></b>			
Beginning AUV	\$11.209	\$10.430	\$10.031
Ending AUV	\$11.328	\$11.209	\$10.430
Ending number of AUs (000s)	21	16	-
<b><u>Lehman Brothers Short Term Bond Portfolio</u></b>			
Beginning AUV	\$10.546	\$10.121	\$10.008
Ending AUV	\$11.049	\$10.546	\$10.121
Ending number of AUs (000s)	189	161	7
<b><u>SmallCap Growth Portfolio</u></b>			
Beginning AUV	\$11.822	\$11.232	\$10.118
Ending AUV	\$11.883	\$11.822	\$11.232
Ending number of AUs (000s)	17	15	3
<b><u>Mid-Cap Growth Portfolio</u></b>			
Beginning AUV	\$13.945	\$12.158	\$10.126
Ending AUV	\$17.086	\$13.945	\$12.158
Ending number of AUs (000s)	51	15	1
<b><u>Partners Portfolio</u></b>			
Beginning AUV	\$13.523	\$12.048	\$10.139
Ending AUV	\$14.785	\$13.523	\$12.048
Ending number of AUs (000s)	204	118	17
<b><u>Regency Portfolio</u></b>			
Beginning AUV	\$12.986	\$11.682	\$10.162
Ending AUV	\$13.415	\$12.986	\$11.682
Ending number of AUs (000s)	41	31	11
<b><u>Socially Responsive Portfolio</u></b>			
Beginning AUV	\$12.771	\$11.232	\$10.143
Ending AUV	\$13.743	\$12.771	\$11.232
Ending number of AUs (000s)	17	7	4
<b>NORTHERN LIGHTS VARIABLE TRUST:</b>			
<b><u>Changing Parameters Portfolio (inception date July 2, 2007)</u></b>			
Beginning AUV	\$10.000	N/A	N/A
Ending AUV	\$10.110	N/A	N/A
Ending number of AUs (000s)	804	N/A	N/A
<b><u>JNF Balanced Portfolio (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.028	N/A	N/A
Ending AUV	\$9.880	N/A	N/A
Ending number of AUs (000s)	27	N/A	N/A
<b><u>JNF Equity Portfolio (inception date May 1, 2007)</u></b>			
Beginning AUV	\$10.013	N/A	N/A
Ending AUV	\$9.047	N/A	N/A
Ending number of AUs (000s)	180	N/A	N/A

**PIMCO VARIABLE INSURANCE TRUST:**

**All Asset Portfolio (inception date May 1, 2006)**

Beginning AUV	\$10.481	\$9.974	N/A
Ending AUV	\$11.354	\$10.481	N/A
Ending number of AUs (000s)	182	25	N/A

**CommodityRealReturn Strategy Portfolio (inception date May 1, 2006)**

Beginning AUV	\$9.606	\$10.106	N/A
Ending AUV	\$11.838	\$9.606	N/A
Ending number of AUs (000s)	255	123	N/A

**Emerging Markets Bond Portfolio (inception date May 1, 2006)**

Beginning AUV	\$10.834	\$9.979	N/A
Ending AUV	\$11.463	\$10.834	N/A
Ending number of AUs (000s)	122	214	N/A

**Foreign Bond US Dollar-Hedged Portfolio (inception date May 1, 2006)**

Beginning AUV	\$10.330	\$10.011	N/A
Ending AUV	\$10.705	\$10.330	N/A
Ending number of AUs (000s)	184	23	N/A

**Global Bond Unhedged Portfolio (inception date May 1, 2006)**

Beginning AUV	\$10.257	\$10.001	N/A
Ending AUV	\$11.255	\$10.257	N/A
Ending number of AUs (000s)	104	27	N/A

**High Yield Portfolio (inception date May 1, 2006)**

Beginning AUV	\$10.629	\$9.990	N/A
Ending AUV	\$11.001	\$10.629	N/A
Ending number of AUs (000s)	103	450	N/A

**Long Term US Government Portfolio (inception date November 1, 2006)**

Beginning AUV	\$9.941	\$10.048	N/A
Ending AUV	\$10.911	\$9.941	N/A
Ending number of AUs (000s)	87	-	N/A

**Low Duration Portfolio (inception date November 1, 2006)**

Beginning AUV	\$10.052	\$10.011	N/A
Ending AUV	\$10.793	\$10.052	N/A
Ending number of AUs (000s)	229	8	N/A

**Real Return Portfolio**

Beginning AUV	\$10.150	\$10.078	\$10.001
Ending AUV	\$11.229	\$10.150	\$10.078
Ending number of AUs (000s)	359	169	17

**RealEstateRealReturn Strategy Portfolio (inception date May 1, 2006)**

Beginning AUV	\$11.964	\$9.824	N/A
Ending AUV	\$10.449	\$11.964	N/A
Ending number of AUs (000s)	105	15	N/A

	2007	2006	2005
<b>PIMCO VARIABLE INSURANCE TRUST: (continued)</b>			
<b><u>Short Term Portfolio</u></b>			
Beginning AUV	\$10.613	\$10.178	\$10.001
Ending AUV	\$11.089	\$10.613	\$10.178
Ending number of AUs (000s)	270	155	9
<b><u>StockPLUS® Total Return Portfolio (inception date May 1, 2006)</u></b>			
Beginning AUV	\$11.035	\$9.905	N/A
Ending AUV	\$12.091	\$11.035	N/A
Ending number of AUs (000s)	60	19	N/A
<b><u>Total Return Portfolio</u></b>			
Beginning AUV	\$10.519	\$10.130	\$10.020
Ending AUV	\$11.438	\$10.519	\$10.130
Ending number of AUs (000s)	1,670	566	49
<b>PIONEER VARIABLE CONTRACTS TRUST:</b>			
<b><u>Bond Portfolio (inception date (inception date November 9, 2007)</u></b>			
Beginning AUV	\$10.019	N/A	N/A
Ending AUV	\$10.154	N/A	N/A
Ending number of AUs (000s)	3	N/A	N/A
<b><u>Cullen Value Portfolio (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.355	\$9.936	N/A
Ending AUV	\$11.017	\$10.355	N/A
Ending number of AUs (000s)	73	-	N/A
<b><u>Emerging Markets Portfolio (inception date November 1, 2006)</u></b>			
Beginning AUV	\$11.169	\$10.036	N/A
Ending AUV	\$15.910	\$11.169	N/A
Ending number of AUs (000s)	102	38	N/A
<b><u>Equity Income Portfolio</u></b>			
Beginning AUV	\$12.930	\$10.588	\$10.093
Ending AUV	\$13.000	\$12.930	\$10.588
Ending number of AUs (000s)	193	174	2
<b><u>Fund Portfolio</u></b>			
Beginning AUV	\$12.736	\$10.946	\$10.116
Ending AUV	\$13.346	\$12.736	\$10.946
Ending number of AUs (000s)	136	41	3
<b><u>Global High Yield Portfolio (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.266	\$10.012	N/A
Ending AUV	\$10.486	\$10.266	N/A
Ending number of AUs (000s)	35	9	N/A
<b><u>High Yield Portfolio</u></b>			
Beginning AUV	\$11.416	\$10.547	\$10.032
Ending AUV	\$12.055	\$11.416	\$10.547
Ending number of AUs (000s)	725	80	67

	2007	2006	2005
<b>PIONEER VARIABLE CONTRACTS TRUST (continued):</b>			
<b><u>International Value Portfolio (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.558	\$10.013	N/A
Ending AUV	\$11.956	\$10.558	N/A
Ending number of AUs (000s)	91	69	N/A
<b><u>Mid Cap Value Portfolio</u></b>			
Beginning AUV	\$12.327	\$10.980	\$10.125
Ending AUV	\$12.986	\$12.327	\$10.980
Ending number of AUs (000s)	106	31	1
<b><u>Small Cap Value Portfolio (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.314	\$9.843	N/A
Ending AUV	\$9.573	\$10.314	N/A
Ending number of AUs (000s)	30	-	N/A
<b><u>Strategic Income Portfolio (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.121	\$10.020	N/A
Ending AUV	\$10.744	\$10.121	N/A
Ending number of AUs (000s)	541	-	N/A
<b>ROYCE CAPITAL FUND:</b>			
<b><u>Micro-Cap Portfolio</u></b>			
Beginning AUV	\$14.856	\$12.271	\$10.134
Ending AUV	\$15.447	\$14.856	\$12.271
Ending number of AUs (000s)	131	86	6
<b><u>Small-Cap Portfolio</u></b>			
Beginning AUV	\$13.023	\$11.269	\$10.138
Ending AUV	\$12.745	\$13.023	\$11.269
Ending number of AUs (000s)	197	86	24
<b>RYDEX VARIABLE TRUST:</b>			
<b><u>CLS AdvisorOne Amerigo Fund</u></b>			
Beginning AUV	\$12.727	\$11.329	\$10.135
Ending AUV	\$14.480	\$12.727	\$11.329
Ending number of AUs (000s)	395	164	61
<b><u>CLS AdvisorOne Clermont Fund</u></b>			
Beginning AUV	\$11.487	\$10.600	\$10.057
Ending AUV	\$12.202	\$11.487	\$10.600
Ending number of AUs (000s)	120	51	13
<b><u>Absolute Return Strategies Fund (inception date February 3, 2006)</u></b>			
Beginning AUV	\$10.432	\$9.996	N/A
Ending AUV	\$10.832	\$10.432	N/A
Ending number of AUs (000s)	123	33	N/A
<b><u>Banking Fund</u></b>			
Beginning AUV	\$11.867	\$10.667	\$10.203
Ending AUV	\$8.653	\$11.867	\$10.667
Ending number of AUs (000s)	6	18	1

	2007	2006	2005
<b>RYDEX VARIABLE TRUST: (continued)</b>			
<b><u>Basic Materials Fund</u></b>			
Beginning AUV	\$13.701	\$11.203	\$10.195
Ending AUV	\$18.354	\$13.701	\$11.203
Ending number of AUs (000s)	94	11	5
<b><u>Biotechnology Fund</u></b>			
Beginning AUV	\$11.846	\$12.253	\$10.109
Ending AUV	\$12.368	\$11.846	\$12.253
Ending number of AUs (000s)	16	3	4
<b><u>Commodities Strategy Fund (inception date October 21, 2005)</u></b>			
Beginning AUV	\$7.935	\$9.662	\$10.048
Ending AUV	\$10.396	\$7.935	\$9.662
Ending number of AUs (000s)	37	9	-
<b><u>Consumer Products Fund</u></b>			
Beginning AUV	\$11.902	\$10.136	\$10.074
Ending AUV	\$13.220	\$11.902	\$10.136
Ending number of AUs (000s)	69	26	-
<b><u>Dow 2X Strategy Fund</u></b>			
Beginning AUV	\$14.043	\$10.758	\$10.246
Ending AUV	\$15.188	\$14.043	\$10.758
Ending number of AUs (000s)	28	25	1
<b><u>Electronics Fund</u></b>			
Beginning AUV	\$12.484	\$12.182	\$10.223
Ending AUV	\$12.173	\$12.484	\$12.182
Ending number of AUs (000s)	31	-	2
<b><u>Energy Fund</u></b>			
Beginning AUV	\$14.342	\$12.814	\$10.134
Ending AUV	\$19.106	\$14.342	\$12.814
Ending number of AUs (000s)	114	40	-
<b><u>Energy Services Fund</u></b>			
Beginning AUV	\$15.799	\$14.236	\$10.193
Ending AUV	\$21.660	\$15.799	\$14.236
Ending number of AUs (000s)	102	17	22
<b><u>Essential Portfolio Aggressive Fund (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.298	\$9.908	N/A
Ending AUV	\$10.986	\$10.298	N/A
Ending number of AUs (000s)	3	-	N/A
<b><u>Essential Portfolio Conservative Fund (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.138	\$9.984	N/A
Ending AUV	\$10.792	\$10.138	N/A
Ending number of AUs (000s)	19	15	N/A

	2007	2006	2005
<b>RYDEX VARIABLE TRUST: (continued)</b>			
<b><u>Essential Portfolio Moderate Fund (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.286	\$9.952	N/A
Ending AUV	\$10.960	\$10.286	N/A
Ending number of AUs (000s)	9	4	N/A
<b><u>Europe 1.25X Strategy Fund</u></b>			
Beginning AUV	\$14.207	\$10.970	\$10.187
Ending AUV	\$16.063	\$14.207	\$10.970
Ending number of AUs (000s)	56	28	1
<b><u>Financial Services Fund</u></b>			
Beginning AUV	\$13.140	\$11.257	\$10.186
Ending AUV	\$10.669	\$13.140	\$11.257
Ending number of AUs (000s)	14	7	-
<b><u>Government Long Bond 1.2X Strategy Fund</u></b>			
Beginning AUV	\$9.734	\$10.050	\$9.818
Ending AUV	\$10.684	\$9.734	\$10.050
Ending number of AUs (000s)	42	14	17
<b><u>Health Care Fund</u></b>			
Beginning AUV	\$11.472	\$10.914	\$10.093
Ending AUV	\$12.164	\$11.472	\$10.914
Ending number of AUs (000s)	51	13	2
<b><u>Hedged Equity Fund (inception date February 3, 2006)</u></b>			
Beginning AUV	\$10.407	\$9.996	N/A
Ending AUV	\$10.736	\$10.407	N/A
Ending number of AUs (000s)	111	31	N/A
<b><u>Internet Fund</u></b>			
Beginning AUV	\$13.221	\$12.052	\$10.316
Ending AUV	\$14.594	\$13.221	\$12.052
Ending number of AUs (000s)	33	3	1
<b><u>Inverse Dow 2X Strategy Fund</u></b>			
Beginning AUV	\$7.240	\$9.255	\$9.756
Ending AUV	\$6.589	\$7.240	\$9.255
Ending number of AUs (000s)	159	16	-
<b><u>Inverse Government Long Bond Strategy Fund</u></b>			
Beginning AUV	\$10.831	\$10.019	\$10.154
Ending AUV	\$10.343	\$10.831	\$10.019
Ending number of AUs (000s)	6	15	30
<b><u>Inverse Mid-Cap Strategy Fund</u></b>			
Beginning AUV	\$8.464	\$8.800	\$9.867
Ending AUV	\$8.296	\$8.464	\$8.800
Ending number of AUs (000s)	14	5	-

	2007	2006	2005
<b>RYDEX VARIABLE TRUST: (continued)</b>			
<b><u>Inverse NASDAQ-100 Strategy Fund</u></b>			
Beginning AUV	\$8.771	\$8.896	\$9.835
Ending AUV	\$7.782	\$8.771	\$8.896
Ending number of AUs (000s)	41	37	25
<b><u>Inverse Russell 2000 Strategy Fund</u></b>			
Beginning AUV	\$7.690	\$8.734	\$9.819
Ending AUV	\$8.103	\$7.690	\$8.734
Ending number of AUs (000s)	39	25	14
<b><u>Inverse S&amp;P 500 Strategy Fund</u></b>			
Beginning AUV	\$8.773	\$9.484	\$9.890
Ending AUV	\$8.845	\$8.773	\$9.484
Ending number of AUs (000s)	47	3	10
<b><u>Japan 1.25X Strategy Fund</u></b>			
Beginning AUV	\$14.202	\$13.508	\$10.178
Ending AUV	\$12.607	\$14.202	\$13.508
Ending number of AUs (000s)	9	21	14
<b><u>Large Cap Growth Fund</u></b>			
Beginning AUV	\$11.161	\$10.589	\$10.097
Ending AUV	\$11.709	\$11.161	\$10.589
Ending number of AUs (000s)	51	18	3
<b><u>Large Cap Value Fund</u></b>			
Beginning AUV	\$12.873	\$10.941	\$10.156
Ending AUV	\$12.182	\$12.873	\$10.941
Ending number of AUs (000s)	18	40	7
<b><u>Leisure Fund</u></b>			
Beginning AUV	\$12.562	\$10.174	\$10.173
Ending AUV	\$12.243	\$12.562	\$10.174
Ending number of AUs (000s)	5	38	-
<b><u>Mid Cap 1.5X Strategy Fund</u></b>			
Beginning AUV	\$13.546	\$12.263	\$10.203
Ending AUV	\$14.033	\$13.546	\$12.263
Ending number of AUs (000s)	35	134	3
<b><u>Mid-Cap Growth Fund</u></b>			
Beginning AUV	\$12.027	\$11.662	\$10.127
Ending AUV	\$13.044	\$12.027	\$11.662
Ending number of AUs (000s)	89	9	19
<b><u>Mid-Cap Value Fund</u></b>			
Beginning AUV	\$13.326	\$11.383	\$10.144
Ending AUV	\$12.681	\$13.326	\$11.383
Ending number of AUs (000s)	24	48	15

	2007	2006	2005
<b>RYDEX VARIABLE TRUST: (continued)</b>			
<b><u>Multi Cap Core Equity Fund (inception date February 3, 2006)</u></b>			
Beginning AUV	\$11.031	\$9.973	N/A
Ending AUV	\$10.451	\$11.031	N/A
Ending number of AUs (000s)	3	-	N/A
<b><u>Nova Fund</u></b>			
Beginning AUV	\$13.268	\$11.124	\$10.181
Ending AUV	\$13.417	\$13.268	\$11.124
Ending number of AUs (000s)	52	53	4
<b><u>NASDAQ-100 2X Strategy Fund</u></b>			
Beginning AUV	\$13.386	\$12.765	\$10.336
Ending AUV	\$17.161	\$13.386	\$12.765
Ending number of AUs (000s)	172	88	48
<b><u>NASDAQ-100 Fund</u></b>			
Beginning AUV	\$12.156	\$11.493	\$10.174
Ending AUV	\$14.323	\$12.156	\$11.493
Ending number of AUs (000s)	55	4	344
<b><u>Precious Metals Fund</u></b>			
Beginning AUV	\$17.669	\$14.551	\$10.267
Ending AUV	\$21.124	\$17.669	\$14.551
Ending number of AUs (000s)	124	81	20
<b><u>Real Estate Fund</u></b>			
Beginning AUV	\$14.618	\$11.182	\$10.091
Ending AUV	\$11.823	\$14.618	\$11.182
Ending number of AUs (000s)	15	26	1
<b><u>Retailing Fund</u></b>			
Beginning AUV	\$12.144	\$11.032	\$10.137
Ending AUV	\$10.614	\$12.144	\$11.032
Ending number of AUs (000s)	2	3	-
<b><u>Russell 2000 1.5X Strategy Fund</u></b>			
Beginning AUV	\$14.724	\$12.184	\$10.286
Ending AUV	\$13.732	\$14.724	\$12.184
Ending number of AUs (000s)	6	320	-
<b><u>Russell 2000 2X Strategy Fund (inception date November 1, 2006)</u></b>			
Beginning AUV	\$10.398	\$9.620	N/A
Ending AUV	\$9.089	\$10.398	N/A
Ending number of AUs (000s)	69	-	N/A
<b><u>S&amp;P 500 2X Strategy Fund</u></b>			
Beginning AUV	\$14.034	\$11.345	\$10.238
Ending AUV	\$14.120	\$14.034	\$11.345
Ending number of AUs (000s)	80	70	8

	2007	2006	2005
<b>RYDEX VARIABLE TRUST: (continued)</b>			
<b><u>Sector Rotation Fund</u></b>			
Beginning AUV	\$13.285	\$11.927	\$10.150
Ending AUV	\$16.306	\$13.285	\$11.927
Ending number of AUs (000s)	82	19	4
<b><u>Small-Cap Growth Fund</u></b>			
Beginning AUV	\$12.266	\$11.386	\$10.154
Ending AUV	\$12.252	\$12.266	\$11.386
Ending number of AUs (000s)	60	21	2
<b><u>Small-Cap Value Fund</u></b>			
Beginning AUV	\$13.404	\$11.245	\$10.188
Ending AUV	\$10.675	\$13.404	\$11.245
Ending number of AUs (000s)	42	52	2
<b><u>Strengthening Dollar 2X Strategy Fund (inception date October 21, 2005)</u></b>			
Beginning AUV	\$9.275	\$10.378	\$10.121
Ending AUV	\$8.265	\$9.275	\$10.378
Ending number of AUs (000s)	34	-	-
<b>RYDEX VARIABLE TRUST: (continued)</b>			
<b><u>Technology Fund</u></b>			
Beginning AUV	\$12.304	\$11.619	\$10.109
Ending AUV	\$13.581	\$12.304	\$11.619
Ending number of AUs (000s)	16	3	-
<b><u>Telecommunications Fund</u></b>			
Beginning AUV	\$13.616	\$11.393	\$10.137
Ending AUV	\$14.872	\$13.616	\$11.393
Ending number of AUs (000s)	25	1	-
<b><u>Transportation Fund</u></b>			
Beginning AUV	\$13.386	\$12.465	\$10.197
Ending AUV	\$12.214	\$13.386	\$12.465
Ending number of AUs (000s)	10	2	4
<b><u>U.S. Government Money Market Fund</u></b>			
Beginning AUV	\$10.544	\$10.155	\$10.001
Ending AUV	\$10.953	\$10.544	\$10.155
Ending number of AUs (000s)	1,370	1,327	901
<b><u>Utilities Fund</u></b>			
Beginning AUV	\$12.834	\$10.610	\$10.061
Ending AUV	\$14.485	\$12.834	\$10.610
Ending number of AUs (000s)	90	21	12
<b><u>Weakening Dollar 2X Strategy Fund (inception date October 21, 2005)</u></b>			
Beginning AUV	\$11.304	\$9.685	\$9.881
Ending AUV	\$13.352	\$11.304	\$9.685
Ending number of AUs (000s)	22	24	-

	2007	2006	2005
<b>SELIGMAN PORTFOLIOS, INC.:</b>			
<b><u>Communications and Information Portfolio</u></b>			
Beginning AUV	\$14.607	\$11.972	\$10.140
Ending AUV	\$16.815	\$14.607	\$11.972
Ending number of AUs (000s)	25	49	-
<b><u>Global Technology Portfolio</u></b>			
Beginning AUV	\$14.172	\$12.041	\$10.134
Ending AUV	\$16.338	\$14.172	\$12.041
Ending number of AUs (000s)	18	6	-
<b>T ROWE PRICE EQUITY SERIES, INC.:</b>			
<b><u>Blue Chip Growth Portfolio II (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.600	\$9.959	N/A
Ending AUV	\$11.923	\$10.600	N/A
Ending number of AUs (000s)	474	80	N/A
<b><u>Equity Income Portfolio II (inception date May 1, 2006)</u></b>			
Beginning AUV	\$11.080	\$9.987	N/A
Ending AUV	\$11.415	\$11.080	N/A
Ending number of AUs (000s)	364	125	N/A
<b><u>Health Sciences Portfolio II (inception date May 1, 2006)</u></b>			
Beginning AUV	\$10.742	\$9.932	N/A
Ending AUV	\$12.644	\$10.742	N/A
Ending number of AUs (000s)	131	35	N/A
<b>T ROWE PRICE FIXED INCOME SERIES, INC.:</b>			
<b><u>Limited-Term Bond Portfolio II</u></b>			
Beginning AUV	\$10.001	N/A	N/A
Ending AUV	\$10.344	N/A	N/A
Ending number of AUs (000s)	10	N/A	N/A
<b>THIRD AVENUE VARIABLE SERIES TRUST:</b>			
<b><u>Value Portfolio</u></b>			
Beginning AUV	\$14.026	\$12.114	\$10.175
Ending AUV	\$13.352	\$14.026	\$12.114
Ending number of AUs (000s)	566	240	31
<b>VAN ECK WORLDWIDE INSURANCE TRUST:</b>			
<b><u>Absolute Return Fund</u></b>			
Beginning AUV	\$10.932	\$10.061	\$9.990
Ending AUV	\$11.375	\$10.932	\$10.061
Ending number of AUs (000s)	28	45	-
<b><u>Bond Fund</u></b>			
Beginning AUV	\$10.389	\$9.757	\$10.024
Ending AUV	\$11.398	\$10.389	\$9.757
Ending number of AUs (000s)	188	81	2

	2007	2006	2005
<b>VAN ECK WORLDWIDE INSURANCE TRUST (continued):</b>			
<b><u>Emerging Markets Fund</u></b>			
Beginning AUV	\$18.140	\$13.005	\$10.229
Ending AUV	\$24.964	\$18.140	\$13.005
Ending number of AUs (000s)	133	90	11
<b><u>Hard Assets Fund</u></b>			
Beginning AUV	\$18.301	\$14.701	\$10.143
Ending AUV	\$26.602	\$18.301	\$14.701
Ending number of AUs (000s)	173	135	20
<b><u>Real Estate Fund</u></b>			
Beginning AUV	\$16.448	\$12.563	\$10.060
Ending AUV	\$16.594	\$16.448	\$12.563
Ending number of AUs (000s)	118	65	-
<b>WELLS FARGO ADVANTAGE VT FUNDS:</b>			
<b><u>Discovery Fund</u></b>			
Beginning AUV	\$14.172	\$12.362	\$10.259
Ending AUV	\$17.336	\$14.172	\$12.362
Ending number of AUs (000s)	42	32	-
<b><u>Opportunity Fund</u></b>			
Beginning AUV	\$12.845	\$11.446	\$10.147
Ending AUV	\$13.697	\$12.845	\$11.446
Ending number of AUs (000s)	20	16	8
<b><u>Small/Mid Cap Value Fund (inception date November 9, 2007)</u></b>			
Beginning AUV	\$9.821	N/A	N/A
Ending AUV	\$9.438	N/A	N/A
Ending number of AUs (000s)	0	N/A	N/A

---

**PRIVACY NOTICE of  
Jefferson National Life Insurance Company**

REVISED Notice of Privacy Policy

01/2008

We take your privacy seriously. This notice describes how we treat data about our customers.

We **do not sell** our customer data. We have physical, electronic and procedural security measures in place that comply with legal standards to protect your personal data. Access to customer data is limited to employees who need access to do their jobs.

We get most of the data we have about you through your application and administrative forms. We may also receive data from outside sources with your consent, such as:

- The Medical Information Bureau
- Consumer Reporting Agencies
- Service Providers who conduct marketing services on our behalf
- Motor Vehicle Bureaus
- Other Data Providers

Data we collect may include:

- Name, address, e-mail address, phone number
- Social Security Number
- Demographic Data
- Health data (for life insurance buyers) or other data about illness, disability or injury
- Internet Cookies (cookies help our Internet application process – they do not store any personal data)

We may share customer data we collect with the following with your consent or as permitted by law:

- Insurance companies, agents, reinsurers
- Group policyholders for purpose of reporting claims experience
- Medical Laboratories and Prescription or Pharmacy Database Managers
- Medical Information and Motor Vehicle Bureaus or similar institutions
- A court or governmental agency when there is a lawful request
- Law enforcement officials to prevent criminal activity and/or fraud
- Service providers that perform marketing services for us
- Service providers that perform administrative services for us
- Joint Marketing Partners
- Unaffiliated Fund Families
- Unaffiliated Third Parties

We do not share your health data with anyone without your written consent.

We use your health data to:

- Underwrite policies
- Process, evaluate or defend claims

When we use service providers and joint marketers they agree to keep your personal data private and not use it for any other purpose. Data obtained from an insurance support organization, such as, the Medical Information Bureau, may be retained and disclosed by this organization to other persons. For our Internet customers we require you to enter a user name and password to access your online account.

You have a right to review your personal data. To do so please send a written request to the Customer Service Department:

**9920 Corporate Campus Drive, Suite 1000  
Louisville, KY 40223**

Please include your name, address, telephone number, and policy number. Also, let us know what kind of data you want to see. We may charge a small fee to collect and send the data to you.

If you see any errors, let us know and we will review it. If we agree, we will correct our files. If we disagree, you may file a short statement of dispute with us. Your statement will be included with any data we disclose in the future. You can also request that we send it to anyone who received your data from us in the past 2 years.

If we change our privacy notice we will give you notice ahead of time of any change in our privacy practices by providing a new Notice and any opt-in or opt-out rights you may have under any federal or state laws at that time.

If you provide personal data to third parties, for example, independent agents or brokers, please note that this Notice will not cover their use of such data. If you provide personal data to us on a website that we sponsor with another financial institution, please note that you are providing your personal data to us and the third party. Accordingly, you should review the privacy notice of any such third parties.

---

**TABLE OF CONTENTS OF THE STATEMENT OF ADDITIONAL INFORMATION**

General Information

General Information Regarding Jefferson National Life Insurance Company  
Jefferson National Life Annuity Account G

Certain Federal Income Tax Consequences

Published Ratings

Administration

Annuity Provisions

Distribution

Financial Statements

(cut along dotted line)

If you would like a free copy of the Statement of Additional Information (Form # JNL- MNTADV-SAI-G-0508) dated May 1, 2008 for this Prospectus, please complete this form, detach, and mail to:

Jefferson National Life Insurance Company  
Administrative Office  
P.O. Box 36840  
Louisville, Kentucky 40233

Please send me a free copy of the Statement of Additional Information for the Jefferson National Life Insurance Annuity Account G (Monument Advisor) fixed and variable annuity at the following address:

Name: \_\_\_\_\_

Mailing  
Address: \_\_\_\_\_

Sincerely,

\_\_\_\_\_

(Signature)

Jefferson National Life Insurance Company  
P.O. Box 36840  
Louisville, Kentucky 40233