

VAC

Variable Annuity Contract



G E B A

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Serving Our Members
For Over

50
YEARS

1957 - 2010

Variable Annuity Contract

What is a Variable Annuity Contract (VAC)?

A Variable Annuity is a long term contract between you and an insurance company consisting of two phases:

1. Accumulation phase where your account value will fluctuate in accordance with your underlying investments and
2. Distribution phase where the insurance company will make periodic lifetime payments to you.

A variable annuity contains several investment options to choose from during your accumulation phase and an insurance feature that offers beneficiary protection in the case of your death. An annuity is the only investment that you can buy that offers income for life, no matter how long you live (or you and a second person, such as a spouse or partner, live).

What are the Benefits and Features?

- Over 40 individual investment options and 5 asset allocation portfolios to help you diversify and grow your investment. This may help you keep pace with inflation.
- All earnings grow tax-deferred, meaning that you don't pay taxes on your investment earnings until you withdraw them or they are distributed to you. By not paying taxes on these earnings, they remain in your account and have the potential to compound and accumulate faster.*
- A death benefit that can help provide for your loved ones.**
- You have the flexibility to withdraw portions of your account value if you choose.
- Minimum investment of only \$25
- Quarterly Statements

Please be sure to review the "MetLife Asset Builder: A Variable Deferred Annuity Prospectus" before investing in the Variable Annuity Contract with GEBA. A copy of the prospectus can be obtained at the GEBA office or by calling (301) 688-7912 or (800) 826-1126.

Plan Overview

A Variable Annuity Contract (VAC) is traditionally used to fund a retirement account. It can be used in a Traditional IRA or Group Annuity. It is an accumulation annuity, not an immediate or deferred payout annuity. The assets accumulate in the account without a payout or income stream. You control the contributions and withdrawals.

A Variable Annuity Contract (VAC) allows an investor to capitalize on market returns in a tax-deferred account, while protecting his or her heirs' inheritance with a guaranteed death benefit.

Because the VAC is used in a retirement account, the funds grow tax-deferred. This allows the assets to grow faster than taxable assets. They grow faster because the earnings are not diminished yearly by taxes.

- **If you are buying the Variable Annuity Contract individually to fund a Traditional IRA*:** Contributions may be tax deductible for some investors and are permitted up to the IRS annual maximum of \$5,000 or \$6,000 for investors ages 50 and over.
- **If you are buying the Variable Annuity Contract through the Group Annuity:** Contributions are not tax deductible. Investors can contribute to a variable annuity contract without limit.

Flexible Contributions Options

GEBA's variable annuity contract lets you choose how to make contributions. You may:

- Make a lump-sum contribution
- Pay through an agency payroll allotment (For NSA and DIA employees only)
- Make monthly automatic debits from checking or savings account

Variable Annuity Contract

Who is Eligible?

All Intelligence Community and Department of Defense employees and retirees, contract and military employees assigned to NSA, and spouses may invest in a Variable Annuity Contract (VAC) through GEBA.

What if I Retire or Resign?

Once a GEBA member, always a member. That means you are welcome to keep your VAC invested with GEBA, and make additional investments, for as long as you like.

Underlying Insurance Provider

The Variable Annuity Contract is offered through Metropolitan Life Insurance Company (“MetLife”)®. Metropolitan Life Insurance Company (“MetLife”)® is a leading provider of insurance and other financial services to millions of individuals throughout the United States. Independent rating organizations rate the ability of Metropolitan Life Insurance Company (“MetLife”)® to meet policyholder obligations by looking at the overall financial picture, strength of management, financial reserves, types of policies, and the company’s claims-paying history.

Standard & Poor’s	AA (Very Strong)
Fitch	AA (Very Strong)
Moody’s Investors	Aa2 (Excellent)
AM Best	A+ (Superior)

How do I make a contribution?

All active civilian employees of the Intelligence Community and the Department of Defense, and contract and military employees assigned to NSA “W” may contribute on behalf of themselves and their spouse. To make a contribution complete a VAC MetLife - Contribution Form. For lump sum investments attach a check; for automatic contributions complete and attach an NSA/DIA Agency payroll allotment form (NSA and DIA employees only) or an Automatic Debit Form.

How do I make a withdrawal?

Complete the VAC MetLife Withdrawal Form. Withdrawal requests are processed the day the request is received. However, please allow 8 to 10 business days to receive your proceeds by check. Withdrawals/transfers are subject to a \$20 processing fee.

Contributions are processed biweekly. Please review the Contribution/ Withdrawal Schedule for dates - available in the GEBA office or online.

Need additional forms?

Contribution and Withdrawal Forms can be obtained by calling the GEBA office at (301) 688-7912 or (800) 826-1126, stopping by the GEBA office at NSA, Ops 2A, VCC, Room 201, or at www.geba.com.

Please return forms via mail to: GEBA, P.O. Box 206, Annapolis Junction, MD 20701-0206. Or fax them to (301) 688-6694. Or email to geba@geba.com.

To provide the investment and insurance-related features, the variable annuity contains a separate account charge of 0.95% and variable investment option expenses. Like most investments, variable annuity contracts will fluctuate in value and are subject to loss due to market declines. Withdrawal charges may apply if you withdraw principal too soon. Withdrawals of taxable amounts are subject to ordinary income tax and a 10% Federal income tax penalty may apply if made prior to age 59½.

*If you are buying a variable annuity to fund a qualified retirement plan or IRA, you should do so for the variable annuity's features and benefits other than tax deferral. In such cases, tax deferral is not an additional benefit of the variable annuity.

**The death benefit and withdrawal feature are available prior to when the insurance company begins lifetime income payments to you.