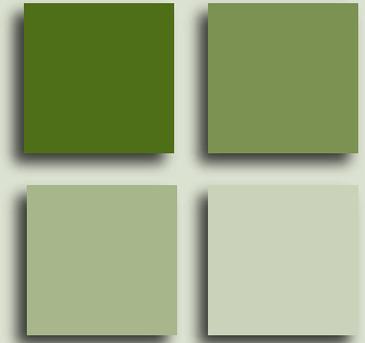


NScore Variable Annuities

# NScore Value

## Features and Optional Benefits



Plan  
Accumulate  
Protect  
Access

NScore Value variable annuity is a tax-deferred vehicle designed for retirement planning.

# Contract Features

## Issue Age

- 0 - 80 (81-85 with restrictions) for annuitant; maximum issue age for owner<sup>†</sup> is age 85.

## Purchase Payment Flexibility

- Initial minimum purchase payment: \$5,000 (\$2,000 for IRAs).
- Additional purchase payments of \$500 or more accepted at any time (\$300 for qualified plans).
- There is no additional tax-deferral benefit for contracts purchased in an IRA or other tax-qualified plan, since these are already afforded tax-deferred status. Thus, an annuity should only be purchased in an IRA or qualified plan if you value some of the other features of the annuity and are willing to incur any additional cost associated with the annuity to receive such benefits.
- Currently, purchase payments in excess of \$1 million require prior Company approval.

## Investment Choices

- More than 70 variable portfolios from nationally recognized portfolio managers including five Asset Allocation Models, plus up to three fixed-rate accounts (if available).
- Select up to 18 portfolio allocations, including Money Market Portfolio, plus Fixed Accumulation Account and Dollar-Cost Averaging (DCA) Accounts (if available), at any time.
- Tax-free transfers among variable portfolios (\$10 charge imposed on each transfer over 12 per contract year). Other transfer restrictions may apply.

## Flexible Rebalancing

- Automatically reallocates your contract value to your desired investment mix quarterly, semi-annually or annually.
- Available for all variable portfolios, even if taking withdrawals.
- Not available for portfolios that are part of the DCA program.

## Contract Charges

- .90% annual mortality and expense risk and administration expense fees.
- \$30 annual contract administration charge; waived if contract value is \$50,000 or more.
- No initial sales charge.

## Dollar-Cost Averaging (DCA)

- Enhanced rate 6-month and 12-month DCA accounts available. Systematic withdrawals cannot start during this process.
- The stated interest rate is not earned on the entire purchase payment amount due to regular transfers to the variable investment options, which will affect daily accrual, lowering the effective yield.
- Transfers available from one-year rate Fixed Accumulation Account, Money Market Portfolio or any other variable portfolio.
- Automatic monthly or quarterly transfers to up to 10 variable portfolios or within one Asset Allocation Model.
- Must be done in a schedule of equal transfers to available variable portfolios.
- May be stopped or changed at any time.

While these periodic investment programs cannot guarantee a profit or protect against a loss in a declining market, they may help you avoid the possibility of investing all of your money at the wrong time – when prices are at their highest. Dollar-cost averaging involves continuous investing, regardless of fluctuating price levels, and, as a result, you should consider your financial ability to continue investing through periods of market volatility and low price levels. Please read the prospectus carefully before investing.

## Access to Money

- Up to a total of 10% of your contract value (as of the date of the first withdrawal in a contract year) is available each contract year without any contingent deferred sales charge (surrender charge) via partial and systematic withdrawals (maximum of 14 total per year).
- Withdrawals may be subject to ordinary income tax, surrender charges and, if taken prior to age 59½, a 10% federal tax penalty may apply. For tax purposes only, withdrawals will come first from any gain in the contract. Please see prospectus for restrictions.
- Withdrawals from the Fixed Accumulation Account will reduce the annual effective yield. Withdrawals may reduce the death benefit, cash surrender value and any living benefit amount.

## Surrender Charges

- Surrender charges may apply to annual withdrawal amounts exceeding 10% of the contract value (as of the date of the first withdrawal in a contract year) when any portion of a withdrawal is taken from a purchase payment made during the six-year period ending on the date of withdrawal. For purposes of applying surrender charges, a withdrawal is taken first from the earliest available purchase payment and then from subsequent purchase payments in the order made. The following surrender charge factors are based on the years that have elapsed since a purchase payment was made to the date on which it is withdrawn.

YEAR:	1	2	3	4	5	6	7 & After
Surrender Charge Factor	6%	6%	6%	5%	3%	2%	0%

- Surrender charges do not apply as a result of the death of the annuitant or annuitization.

## Retirement Payment Options

- You decide when payout begins by choosing when and how you annuitize your contract. (To annuitize means to convert the accumulated value in your deferred annuity to periodic payments that last a certain number of years, for your lifetime, or for your lifetime plus that of another person, whichever you choose.)
  - **Fixed Payment Options:** Life, Fixed Period (of at least five years), Fixed Amount, Fixed Interest, Joint Life & Survivor
  - **Variable Payment Options:** Life, Joint Life & SurvivorIf a tax-qualified contract, required minimum distributions must begin by April 1 following the year you reach age 70½. Withdrawals from annuities in IRAs to meet Required Minimum Distribution guidelines may force you to exceed the maximum free withdrawal amount and adversely affect the benefits available under the contract or optional riders.

## Death Benefit

Guarantees based upon the claims-paying ability of National Security Life and Annuity Company. Guarantees do not apply to the investment performance or account value of the underlying variable portfolios.

- If you die before annuitizing, the death benefit will be the greater of:
  - 1) Total purchase payments (adjusted pro-rata for withdrawals); or
  - 2) Contract value on date of death; or
  - 3) Stepped-up contract value (highest value on any sixth contract anniversary, adjusted for subsequent purchase payments and pro-rata withdrawals). Continues until annuitant attains age 90.

Withdrawals reduce the benefit pro-rata, which means the benefit is reduced by the same percentage reduction to the contract value that resulted from the withdrawal.

**The Death Benefit amount is calculated using the highest amount guaranteed under your contract or optional riders. The actual amount paid may be adjusted to account for fluctuations in your contract value and/or any guaranteed amount until the date we receive the contractually required paperwork. As a result, the actual Death Benefit amount paid may be more or less than the highest amount guaranteed under your contract or optional riders.**

## Spousal Continuation Benefit

- Upon your death, your spouse may continue the annuity contract and rider(s), if he or she is the sole beneficiary.

## Optional Living Benefit Riders

Guarantees based upon the claims-paying ability of National Security Life and Annuity Company. Guarantees do not apply to the investment performance or account value of the underlying variable portfolios. Withdrawals are subject to ordinary income tax, and if taken prior to age 59½, a 10 percent federal tax penalty may apply. Withdrawals may reduce the death benefit, cash surrender value and any living benefit amount. For tax purposes only, withdrawals will come first from any gains in the contract.

### Guaranteed Minimum Income Benefit Plus With Annual Reset (GMIB Plus AR) Rider

ISSUE AGES	ANNUAL CHARGE
Annuitant 45-78	0.95%

**RIDER AVAILABLE AT ISSUE ONLY.  
RIDER MAY NOT BE DROPPED.**

The GMIB Plus AR Rider guarantees minimum, lifetime fixed payments in monthly annuity installments after the rider's 10th anniversary or the 10th anniversary of a reset, if later. These payments are based on your Guaranteed Income Base,<sup>1</sup> which is equal to the greater of (1) the Step-up Income Base or (2) the Guaranteed Earnings Income Base (GEIB). The Step-up Income Base preserves potential gain on every contract anniversary (adjusted for subsequent purchase payments and pro-rata for withdrawals) by stepping-up to the contract value if higher until the contract anniversary after your 85th birthday. The GEIB accumulates purchase payments at the Guaranteed Earnings Rate of five percent per year (adjusted by withdrawals).<sup>\*</sup> The GEIB stops accumulating on the contract anniversary after your 85th birthday or, if earlier, the Contract Anniversary 24 years after the rider effective date or last rider reset date if applicable. Funds allocated to the Fixed Accumulation Account will accumulate at the lesser of the Fixed Accumulation Account rate or the Guaranteed Earnings Rate.

Dollar-for-dollar withdrawals reduce the GEIB and the contract value equally by the withdrawal amount. Dollar-for-dollar withdrawals are available as the Base Guaranteed Earnings accrue and may not begin within 30 days from the date the rider is effective. For purposes of dollar-for-dollar withdrawals, any purchase payments received within the first three months of the contract date will be included in the initial GEIB. If your contract value is reduced to zero during the 10-year hold period and you have withdrawn no more than five percent per year of the GEIB, a "no-lapse" feature allows annuitization at the then-Guaranteed Income Base and at your then-age.

Pro-rata withdrawals reduce the GEIB and the contract value by the same percentage of the withdrawal amount. Pro-rata withdrawals are withdrawals that exceed the accrued Base Guaranteed Earnings or that occur within 30 days of the rider effective date. Annual withdrawals exceeding the accrued Base Guaranteed Earnings may result in the forfeiture of the "no-lapse" feature.<sup>2</sup> Amounts withdrawn greater than 10 percent of the contract value in a contract year and prior to annuitization may incur surrender charges.

You may elect to reset on any contract anniversary prior to your 81st birthday. Eligible resets not taken are lost. On the Reset Date, the GEIB is set equal to the contract value, which would include any gains and additional purchase payments (adjusted for withdrawals). Each reset will begin a new 10-year annuitization wait period.<sup>\*</sup>

All purchase payments must be allocated in accordance with investment restrictions. Available options include self-directed allocations among our investment categories, any one approved Asset Allocation Model and/or the Fixed Accumulation Account and DCA Accounts. Please see prospectus for full details on investment restrictions.

The rider charge at reset may be higher than the original rate. The rider charge will never be more than the applicable Maximum GMIB Rider Charge Rate. If you elect to decline a reset within 30 days of a reset, your rider charge will not increase. You may elect to have us automatically reset this rider on any eligible rider anniversary if the Contract Value exceeds the GEIB. You may opt in or out of automatic resets at any time. If you opt out within 30 days after a reset, the reset will be reversed, reverting the GEIB to its value prior to the reset. If you opt out more than 30 days after a reset, the rider will not be automatically reset on future rider anniversaries, but prior resets will not be affected. Surrendering during a contract year incurs a pro-rata rider charge.

## Optional Death Benefit Riders

### Guaranteed Principal Protection (GPP) Rider

ISSUE AGES	ANNUAL CHARGE
Annuitant 79 and under	0.55% of the average Guaranteed Principal Amount at contract anniversary.

#### RIDER AVAILABLE AT ISSUE OR (IF AVAILABLE) CONTRACT ANNIVERSARY

When **purchased with a contract**, guarantees return of original purchase payment and any additional purchase payments made within the first six months of the contract, less a pro-rata adjustment for any withdrawals, on the 10th contract anniversary. When **added** to a contract after issue, guarantees the then-current contract value, less a pro-rata adjustment for any withdrawals, on the 10th rider anniversary. Withdrawals reduce the benefit pro-rata, which means the benefit is reduced by the same percentage reduction to the contract value that resulted from the withdrawal.

The 10-year term can be reset after the first five years (up to age 80). At reset, any portfolio gains and additional purchase payments (adjusted for withdrawals) are included in the Guaranteed Principal Amount and a new 10-year term begins. The rider charge rate at reset may be higher than the original rate. If not reset at the end of a 10-year term, and if your Eligible Contract Value is less than your Guaranteed Principal Amount, the difference will be added to your contract.

Without the GPP Rider, your variable annuity is subject to investment risks, including possible loss of principal investment. All purchase payments must be allocated to any **one** Asset Allocation Model, the Fixed Accumulation Account and DCA Accounts. Surrendering during a contract year incurs a full annual rider charge. If all requirements are met, this rider will guarantee principal regardless of how the underlying variable portfolios have performed.

Guarantees based upon the claims-paying ability of National Security Life and Annuity Company. Guarantees do not apply to the investment performance or account value of the underlying variable portfolios. Withdrawals may be subject to ordinary income tax, and if taken prior to age 59½, a 10 percent federal tax penalty may apply. Withdrawals may reduce the death benefit, cash surrender value and any living benefit amount.

***Death benefit riders may provide benefits that exceed or are in addition to the contract death benefits if you die prior to Annuity Payout Date.***

### Annual Step-Up Death Benefit Rider

Preserves potential gain, on every contract anniversary (adjusted for subsequent purchase payments and pro-rata for withdrawals) by increasing the death benefit to the contract value, if the contract value is higher. Withdrawals reduce the death benefit pro-rata, which means the benefit is reduced by the same percentage reduction to the contract value that resulted from the withdrawal. Stops accumulating at contract anniversary after annuitant's 85th birthday. After this anniversary, the benefit amount remains until the Annuity Payout Date but will no longer increase in value. The charge for the rider will continue to be deducted while the rider is in effect.

ISSUE AGES	ANNUAL CHARGE
Annuitant 75 and under	0.25% of the Annual Step-up Death Benefit Amount at contract anniversary.

#### RIDER AVAILABLE AT ISSUE ONLY. YOU MAY DROP THIS RIDER ON ANY CONTRACT ANNIVERSARY.



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Distributed by:  
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Member FINRA/SIPC  
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Form 8501.2-NSLAC REV. 8-09

NOT A DEPOSIT	NOT FDIC INSURED
NOT GUARANTEED BY ANY BANK	MAY LOSE VALUE
NOT INSURED BY ANY GOVERNMENT AGENCY	

NScore Value NS-02-VA-07.3/07.3U  
Annual Step-Up Death Benefit Rider NS-05-AMD-1  
Guaranteed Minimum Income Benefit Plus with  
Annual Reset Rider NS-09-GMI-1  
Guaranteed Principal Protection Rider NS-03-GPP-1

*This material is intended to be a summary of NScore Value, but it is not comprehensive. It is not part of the contract. It is authorized for distribution only when accompanied or preceded by current prospectuses.*

*Variable annuities are sold by prospectuses, which contain more complete information including fees, contingent deferred sales charges and other costs that may apply.*

**Contact your registered representative or visit [www.nslac.com](http://www.nslac.com) to obtain current prospectuses. Please read the product and fund prospectuses carefully before you invest or send money. Investors should consider the investment objectives, strategies, risk factors and charges and expenses of the underlying variable portfolios carefully before investing. The fund prospectus contains this and other information about the underlying variable portfolios.**

*Early withdrawals or surrenders may be subject to surrender charges (contingent deferred sales charges). Withdrawals are also subject to ordinary income tax and, if taken prior to age 59½, a 10 percent federal tax penalty may apply. For tax purposes only, withdrawals will come first from any gain in the contract. Federal and state tax laws in this area are complex and subject to change. Consult your personal tax adviser on all tax matters. Withdrawals may reduce the death benefit, cash surrender value and any living benefit amount. Guarantees based upon the claims-paying ability of National Security Life and Annuity Company. Guarantees do not apply to the investment performance or account value of the underlying variable portfolios. National Security Life and Annuity Company is financially responsible for the products it offers. Ohio National Equities, Inc. has no responsibility for the financial condition or contractual obligations of National Security.*

*Variable annuities are long-term investment vehicles designed to accumulate money on a tax-deferred basis for retirement purposes. Upon retirement, variable annuities may pay out an income stream of a series of payments or a lump sum. If you die during the accumulation or payout phase, your beneficiary may be eligible to receive any remaining contract value.*

The contract restricts the Annuity Payout Date to not later than the first of the month following the annuitant's 90th birthday. This restriction may be modified by state law or we may agree to waive it in writing pursuant to the terms of the contract.

<sup>1</sup>The Guaranteed Income Base is used for annuitization calculations, using the annuitization tables built into the rider, and is not available as a cash option. It is possible that your income may be higher by annuitizing the contract value using the annuity factors in the contract or our then-current immediate annuity rates. We will pay you whichever income is highest. After the rider stops accumulating, the benefit amount remains and the charge for the rider will continue to be deducted.

<sup>2</sup>Annual withdrawals exceeding the 5 percent annual earnings on the GEIB will not permanently forfeit the "no-lapse" feature if the following conditions are met:

1. Client must reset the rider and;
2. Contract Value must exceed both the GEIB and the highest contract anniversary value (adjusted for withdrawals).

If the Contract fails to satisfy 2, the "no-lapse" feature is forfeited unless another reset fulfilling these conditions allows it to be reinstated.

\* Subject to a Benefit Cap Multiplier of 15 times purchase payments; any resets will also reset the Benefit Cap.

† For purposes of this feature sheet, owner and annuitant are presumed to be the same person, which is typically the case. Consult your registered representative for other situations.