

# SECURITIES AND EXCHANGE COMMISSION

## FORM N-4/A

Initial registration statement on Form N-4 for separate accounts (unit investment trusts) [amend]

Filing Date: **2005-05-02**  
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### FILER

#### JEFFERSON NATIONAL LIFE ANNUITY ACCOUNT G

CIK: **1005336** | IRS No.: **750300900** | State of Incorp.: **TX** | Fiscal Year End: **1231**  
Type: **N-4/A** | Act: **33** | File No.: **333-124048** | Film No.: **05789722**

#### Mailing Address

9920 CORPORATE CAMPUS  
DRIVE  
SUITE 1000  
LOUISVILLE KY 40223

#### Business Address

9920 CORPORATE CAMPUS  
DRIVE  
SUITE 1000  
LOUISVILLE KY 40223  
502-587-7626

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CIK: **1005336** | IRS No.: **750300900** | State of Incorp.: **TX** | Fiscal Year End: **1231**  
Type: **N-4/A** | Act: **40** | File No.: **811-07501** | Film No.: **05789723**

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SUITE 1000  
LOUISVILLE KY 40223

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502-587-7626

REGISTRATION NO.333-124048  
AND NO. 811-07501

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM N-4

REGISTRATION STATEMENT UNDER  
THE SECURITIES ACT OF 1933

PRE-EFFECTIVE AMENDMENT NO. 1

POST-EFFECTIVE AMENDMENT NO.

AND

REGISTRATION STATEMENT UNDER   
THE INVESTMENT COMPANY ACT OF 1940

AMENDMENT NO. 16

JEFFERSON NATIONAL LIFE ANNUITY ACCOUNT G  
(Exact Name of Registrant)

JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
(Name of Depositor)

435 HUDSON STREET, 2ND FLOOR  
NEW YORK, NEW YORK 10014  
(Address of Depositor's Principal Executive Offices)

Depositor's Telephone Number: (866) 667-0561

NAME AND ADDRESS OF AGENT FOR SERVICE:  
CRAIG A. HAWLEY, ESQ.  
GENERAL COUNSEL AND SECRETARY  
Jefferson National Life Insurance Company  
9920 Corporate Campus Drive, Suite 1000  
Louisville, Kentucky 40223

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of the registration statement. The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

[JEFFERSON NATIONAL LOGO]

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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. You also pay the fees of the Investment Options you select.

Before purchasing the Contract, you must consent to our delivering

electronically all documents and reports relating to your Contract and the Investment Options. Paper versions of these documents will not be sent unless you elect to receive paper documents after purchasing the Contract. 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. You can view at our Website the current prospectus of each Investment Option, which includes information about each Investment Option'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.

40/86 SERIES TRUST  
MANAGED BY 40/86 ADVISORS, INC.

- o 40/86 Series Trust Balanced Portfolio
- o 40/86 Series Trust Equity Portfolio
- o 40/86 Series Trust Fixed Income Portfolio
- o 40/86 Series Trust Government Securities Portfolio
- o 40/86 Series Trust High Yield Portfolio
- o 40/86 Series Trust Money Market Portfolio

A I M VARIABLE INSURANCE FUNDS  
MANAGED BY A I M ADVISORS, INC.

- o AIM V.I. Basic Value Fund - Series II shares
- o AIM V.I. High Yield Fund - Series I shares
- o AIM V.I. Mid Cap Core Equity Fund - Series II shares
- o AIM V.I. Real Estate Fund - Series I shares
- o AIM V.I. Core Stock Fund - Series I shares
- o AIM V.I. Financial Services Fund - Series I shares
- o AIM V.I. Health Sciences Fund - Series I shares (effective July 1, 2005, name is change to AIM V.I. Global Health Care Fund - Series I shares)
- o AIM V.I. Technology Fund - Series I shares

THE ALGER AMERICAN FUND  
MANAGED BY FRED ALGER MANAGEMENT, INC.

- o Alger American Growth Portfolio Class O
- o Alger American Leveraged AllCap Portfolio Class O
- o Alger American MidCap Growth Portfolio Class O
- o Alger American Small Capitalization Portfolio Class O

AMERICAN CENTURY VARIABLE PORTFOLIOS, INC.  
MANAGED BY AMERICAN CENTURY INVESTMENT MANAGEMENT, INC.

- o American Century VP Income & Growth Fund (Class I)
- o American Century VP Inflation Protection Fund (Class II)
- o American Century VP International Fund (Class I)
- o American Century VP Value Fund (Class I)
- o American Century VP Balanced Fund (Class I)

THE DREYFUS INVESTMENT PORTFOLIOS  
(SERVICE SHARES)

MANAGED BY THE DREYFUS CORPORATION

- o DREYFUS IP - SMALL CAP STOCK INDEX PORTFOLIO

THE DREYFUS SOCIALLY RESPONSIBLE GROWTH FUND, INC.  
(INITIAL SHARES)

MANAGED BY THE DREYFUS CORPORATION

DREYFUS STOCK INDEX FUND, INC. (INITIAL SHARES)

MANAGED BY THE DREYFUS CORPORATION AND MELLON EQUITY ASSOCIATES.

DREYFUS VARIABLE INVESTMENT FUND ("DREYFUS VIF")

(INITIAL SHARES)

MANAGED BY THE DREYFUS CORPORATION

- o Dreyfus VIF--Disciplined Stock Portfolio (Initial Shares)
- o Dreyfus VIF--International Value Portfolio (Initial Shares)

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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.

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FEDERATED INSURANCE SERIES

MANAGED BY FEDERATED INVESTMENT MANAGEMENT COMPANY

- o Federated Capital Income Fund II
- o Federated High Income Bond Fund II (Primary Shares)

MANAGED BY FEDERATED GLOBAL INVESTMENT MANAGEMENT CORP.

- o Federated International Equity Fund II

JANUS ASPEN SERIES (SERVICE SHARES)

MANAGED BY JANUS CAPITAL MANAGEMENT LLC

- o Janus Aspen Large Cap Growth Portfolio (Service Shares) (formerly known as Janus Aspen Growth Portfolio)
- o Janus Aspen Mid Cap Growth Portfolio (Service Shares)
- o Janus Aspen Growth and Income Portfolio (Service Shares)
- o Janus Aspen International Growth Portfolio (Service Shares)
- o Janus Aspen Worldwide Growth Portfolio (Service Shares)

LAZARD RETIREMENT SERIES, INC.

MANAGED BY LAZARD ASSET MANAGEMENT LLC

- o Lazard Retirement Emerging Markets Portfolio
- o Lazard Retirement Equity Portfolio
- o Lazard Retirement International Equity Portfolio
- o Lazard Retirement Small Cap Portfolio

LORD ABBETT SERIES FUND, INC.

MANAGED BY LORD, ABBETT & CO. LLC

- o Lord Abbett Series Fund, Inc. - America's Value Portfolio
- o Lord Abbett Series Fund, Inc. - Growth and Income Portfolio

NEUBERGER BERMAN ADVISERS MANAGEMENT TRUST

MANAGED BY NEUBERGER BERMAN MANAGEMENT, INC.

- o Neuberger Berman AMT Fasciano Portfolio (Class S)
- o Neuberger Berman AMT High Income Bond Fund
- o Neuberger Berman AMT Limited Maturity Bond Portfolio
- o Neuberger Berman AMT Mid-Cap Growth Portfolio
- o Neuberger Berman AMT Partners Portfolio
- o Neuberger Berman AMT Regency Portfolio
- o Neuberger Berman AMT Socially Responsive Portfolio

THE POTOMAC INSURANCE TRUST

MANAGED BY RAFFERTY ASSET MANAGEMENT, LLC

- o POTOMAC DYNAMIC VP HY BOND FUND

PIMCO VARIABLE INSURANCE TRUST

MANAGED BY PACIFIC INVESTMENT MANAGEMENT COMPANY LLC

- o PIMCO VIT Money Market Portfolio (Administrative Class)
- o PIMCO VIT Real Return Portfolio (Administrative Class)
- o PIMCO VIT Short-Term Portfolio (Administrative Class)
- o PIMCO VIT Total Return Fund (Administrative Class)

PIONEER VARIABLE CONTRACTS TRUST (CLASS II SHARES)

MANAGED BY PIONEER INVESTMENT MANAGEMENT, INC.

- o Pioneer Equity Income VCT Portfolio
- o Pioneer Europe VCT Portfolio
- o Pioneer Fund VCT Portfolio
- o Pioneer Core Bond VCT Portfolio (available in June 24, 2005)
- o Pioneer High Yield VCT Portfolio
- o Pioneer Money Market VCT Portfolio (Class I Shares only)
- o Pioneer Mid Cap Value VCT Portfolio

ROYCE CAPITAL FUND

MANAGED BY ROYCE & ASSOCIATES, LLC

- o Royce Micro-Cap Portfolio
- o Royce Small-Cap Portfolio

RYDEX VARIABLE TRUST

MANAGED BY RYDEX INVESTMENTS

- o Rydex Arktos Fund
- o Rydex Banking Fund
- o Rydex Basic Materials Fund
- o Rydex Biotechnology Fund
- o Rydex Consumer Products Fund
- o Rydex Electronics Fund
- o Rydex Energy Fund
- o Rydex Energy Services Fund
- o Rydex Financial Services Fund
- o Rydex Health Care Fund
- o Rydex Internet Fund
- o Rydex Inverse Dynamic Dow 30 Fund
- o Rydex Inverse Mid-Cap Fund
- o Rydex Inverse Small-Cap Fund
- o Rydex Juno Fund
- o Rydex Large-Cap Europe Fund
- o Rydex Large-Cap Growth Fund
- o Rydex Large-Cap Japan Fund
- o Rydex Large-Cap Value Fund
- o Rydex Leisure Fund
- o Rydex Long Dynamic Dow 30 Fund
- o Rydex Medius Fund
- o Rydex Mekros Fund
- o Rydex Mid-Cap Growth Fund
- o Rydex Mid-Cap Value Fund
- o Rydex Nova Fund
- o Rydex OTC Fund

- o Rydex Precious Metals Fund
- o Rydex Real Estate Fund
- o Rydex Retailing Fund
- o Rydex Sector Rotation Fund
- o Rydex Small-Cap Growth Fund
- o Rydex Small-Cap Value Fund
- o Rydex Technology Fund
- o Rydex Telecommunications Fund
- o Rydex Titan 500 Fund

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- o Rydex Transportation Fund
  - o Rydex U.S. Government Bond Fund
  - o Rydex U.S. Government Money Market Fund
  - o Rydex Ursa Fund
  - o Rydex Utilities Fund
  - o Rydex Velocity 100 Fund
  - o CLS Advisor OneAmerigo Fund
  - o CLS Advisor OneClermont Fund

SALOMON BROTHERS VARIABLE SERIES FUNDS INC  
 MANAGED BY SALOMON BROTHERS ASSET MANAGEMENT INC

- o Salomon Brothers Variable All Cap Fund (Class I)
- o Salomon Brothers Variable Large Cap Growth Fund (Class I)
- o Salomon Brothers Variable Strategic Bond Fund (Class I)
- o Salomon Brothers Variable Total Return Fund (Class I)
- o Salomon Brothers Variable High Yield Bond Fund (Class I)
- o Salomon Brothers Variable Aggressive Growth Fund  
 (Greenwich Street Series Class I)

MANAGED BY SMITH BARNEY MANAGEMENT LLC

- o SB Government Portfolio (Salomon Class B shares)

SELIGMAN PORTFOLIOS, INC.

MANAGED BY J. & W. SELIGMAN & CO. INCORPORATED

- o Seligman Communications and Information Portfolio
- o Seligman Global Technology Portfolio

WELLS FARGO ADVANTAGE FUNDS

MANAGED BY WELLS FARGO FUNDS MANAGEMENT, LLC

- o Wells Fargo Advantage Discovery Fund
- o Wells Fargo Advantage Opportunity Fund (formerly  
 Strong Opportunity fund II)

THIRD AVENUE VARIABLE SERIES TRUST

MANAGED BY THIRD AVENUE MANAGEMENT LLC.

- o Third Avenue Value Portfolio

VAN ECK WORLDWIDE INSURANCE TRUST

MANAGED BY VAN ECK ASSOCIATES CORPORATION

- o Van Eck Worldwide Absolute Return Fund
- o Van Eck Worldwide Bond Fund
- o Van Eck Worldwide Emerging Markets Fund
- o Van Eck Worldwide Hard Assets Fund
- o Van Eck Worldwide Real Estate Fund

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, 2005. 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:

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

THE CONTRACTS:

- o ARE NOT BANK DEPOSITS
- o ARE NOT FEDERALLY INSURED
- o ARE NOT ENDORSED BY ANY BANK OR GOVERNMENT AGENCY
- o ARE NOT GUARANTEED AND MAY BE SUBJECT TO LOSS OF PRINCIPAL

May 1, 2005

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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.

**ADJUSTED PARTIAL WITHDRAWAL:** Adjusted Partial Withdrawal means the amount of the partial withdrawal (including the applicable premium taxes); multiplied by the Death Benefit Amount just before the partial withdrawal; and divided by the

Contract Value just before the partial withdrawal.

ANNUITANT(S): The person(s) on whose life (lives), We base Annuity Payments.

ANNUITY DATE: The date on which Annuity Payments are to begin, as selected by you.

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 Income Phase.

BENEFICIARY: The person designated to receive any benefits under the Contract if you or 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. These charges include the Subscription Fee. These charges are included in our calculation of the value of the Accumulation Units and the Annuity Units of the Sub-accounts.

INVESTMENT ADVISOR: A registered investment advisor or an investment advisor who is exempt from registration with the Securities and Exchange Commission 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. Joint Owners must be spouses (except in those states where this restriction is not allowed).

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.

PERSONAL FILE: Your Personal File is a password protected electronic folder 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 Personal File by going to our Website after you purchase the Contract and we maintain it for you on our Website thereafter.

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.

REGISTERED REPRESENTATIVE: A person who is licensed by the National Association of Securities Dealers, Inc. ("NASD") to sell variable products and is sponsored by an NASD member broker/dealer that is party to a selling group agreement with the Company.

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.

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SUBSCRIPTION FEE: \$20 per month fee charged by us to issue and administer the Contract.

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

program or IRA.

**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.

**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.

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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. You do pay the fees of the Investment Options you select.

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.

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.

**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 Contract, 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 Options electronically. Regular and continuous Internet access is required to access all documents relating to the Contract and the Investment Options. You should not invest and continue to receive documents electronically if you do not have regular and continuous Internet access.

After purchase, you may elect to receive in paper via U.S. mail all documents relating to the Contract and the Investment Options by revoking your electronic consent. From time to time, we will also honor a request to deliver a specific document in paper even though electronic consent has been revoked.

For Owners using electronic communications, current prospectuses and all required reports for the Contract and the Investment Options are available at our Website. While we will notify you via email (unless you elect to opt-out of receiving such emails) 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 Options 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 Personal File. Investment Option prospectuses will be available for 30 days after the subsequent May 1 annual update. Investment Option 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 Option 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 Personal File.

Checking your Personal File 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.

You should regularly check your Personal File. We will notify you by e-mail (unless you opt-out of receiving such emails) transaction relating to your Contract has occurred, or a document impacting your Contract has been posted. However, this is no substitute for regularly checking your Personal File.

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

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

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

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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 Options. State premium taxes may also be deducted.

OWNER TRANSACTION EXPENSES

CONTINGENT DEFERRED SALES CHARGE (as a percentage of Purchase Payments withdrawn)	None
TRANSFER FEE(1).....	No restrictions provided transfers comply with our administrative rules. We reserve the right to impose a fee for excessive transfers upon providing prior notice to you.

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.

<TABLE>  
<CAPTION>  
<S>

	<C>	<C>
	CURRENT CHARGE \$20 per Contract per month	MAXIMUM CHARGE \$20 per Contract per month
SUBSCRIPTION FEE.....		
SEPARATE ACCOUNT ANNUAL EXPENSES (as a percentage of Contract Value invested in the Investment Portfolios) Mortality and Expense Risk Charge.....		
Administrative Charge.....	0.00%	0.00%
TOTAL SEPARATE ACCOUNT ANNUAL EXPENSES(2).....	0.00%	0.00%

</TABLE>

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.

<TABLE>		
<CAPTION>		
<S>	<C>	<C>
	MINIMUM	MAXIMUM
TOTAL INVESTMENT PORTFOLIO OPERATING EXPENSES (expenses that are deducted from Investment Portfolio assets, including management fees, distribution and/or service (12b-1) fees, and other expenses) (2).....	0.26%	2.54%
</TABLE>		

(1) All reallocations made on the same day count as one transfer. Certain restrictions apply as further described under the heading "Transfers - Excessive Trading Limits" and "Transfers - Short Term Trading Risk".

(2) 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.

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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. We used \$20.00 per month as the current contract charge and as the maximum contract charge. Although your actual costs may be higher or lower, based on these assumptions and those that follow, your costs would be:

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

1 YEAR	3 YEARS	5 YEARS	10 YEARS
\$304.61	\$931.80	\$1,583.74	\$3,328.38

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

1 YEAR	3 YEARS	5 YEARS	10 YEARS
\$304.61	\$931.80	\$1,583.74	\$3,328.38

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

1 YEAR	3 YEARS	5 YEARS	10 YEARS
\$84.08	\$262.86	\$456.83	\$1,016.91

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

1 YEAR	3 YEARS	5 YEARS	10 YEARS
\$84.08	\$262.86	\$456.83	\$1,016.91

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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 an indirect wholly-owned subsidiary of Inviva, Inc.

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, 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 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. If you have purchased the Contract as an IRA, We are required to give you back your Purchase Payment if you decide to cancel your Contract within 10 days after receiving it (or whatever period is required in your state).

#### OWNERSHIP

**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, or process a change of owner request while logged into your Personal File, to effect a change of Owner. 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. Any Joint Owner must be the spouse of the other Owner (except if state law does not permit this restriction). 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 have no right, to receive paper documents relating to your Contract from Us via U.S. Mail. You may obtain paper copies of documents related to your Contract by printing them from your computer. From time to time, we will honor a request to deliver a specific document in paper even though electronic consent has not been revoked.

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If you elect Electronic Administration, you must have Internet access so that you can view your Personal File 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 (unless you opt-out of receiving such emails) when a transaction relating to your Contract has occurred or a document impacting your Contract is posted, you should regularly check your Personal File. There is no substitute for regularly checking your Personal File.

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 Personal File. After you have withdrawn your consent to Electronic Administration, you may notify Us that you again consent to Electronic Administration.

Current prospectuses and all required reports for the Contract and the Investment Portfolios are available at Our Website through your Personal File. 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 Personal File.

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 Personal File, including, but not limited to, transaction confirmations, proxy statements, periodic account statements and other personal correspondence. You create your Personal File when you purchase the Contract and We maintain it for you at Our Website.

You will have access to your Personal File 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 Personal File upon 30 days' notice, which We will deliver to your Personal File. Upon receipt of such a notice, you should consider printing the information held in your Personal File. Upon request, we will provide paper copies of any deleted document.

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

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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 Personal File 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 Personal File 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 Personal File 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 "Inviva, Inc." 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 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 \$2,000,000 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.

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.

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.

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 15 MINUTES BEFORE NYSE CLOSE  
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Nova	U.S. Government Bond	Large-Cap Europe
Ursa	Juno	Large-Cap Japan
OTC	Medius	Titan 500
Arktos	Merkos	Velocity 100

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 30 MINUTES BEFORE NYSE CLOSE  
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Utilities	Energy	Precious Metals
Banking	Energy Services	Real Estate
Basic Materials	Financial Services	Retailing
Biotechnology	Health Care	Technology
Consumer Products	Internet	Telecommunication
Electronics	Leisure	Transportation
U.S. Govt. Money Mkt		

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

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 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 and generating greater tax liabilities. 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.

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.

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. 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. 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 Sub-account. 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 Options 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 Options for excessive transfers. The following apply to any transfer during the Accumulation Period:

1. Your request for a transfer must clearly state which Sub-account(s) are involved in the transfer.

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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 Sub-account 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 Sub-accounts 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 Options 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 Options 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 Sub-accounts. You may only make transfers between the Sub-accounts.

2. We reserve the right, at any time, and without prior to 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 other persons that use programmed, large, or 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:

- o 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
- o 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
- o 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.

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.

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 mutual 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 mutual 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. Please review the mutual funds' prospectuses for specific information about the funds' short-term trading policies and risks.

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We have adopted policies and procedures with respect to frequent transfers. These policies apply to all Investment Options except for Investment Options that contain disclosure permitting active trading. As of the date of this prospectus, the only Investment Options which permit active trading are those of the Rydex Variable Trust (other than Rydex Sector Rotation Fund, CLS AdvisorOne Amerigo Fund and CLS AdvisorOne Clermont Fund which do not permit active trading), the Potomac Dynamic VP HY Bond Fund and the 40/86 Money Money Market Portfolio. This list may change any time without notice. Pursuant to this policy, we block trades in excess of \$25,000 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 Option). If only one portion of a transfer request involving multiple Investment Options 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 excess of \$25,000 in an Investment Option in Contract 1, you will have to wait at least seven (7) days to make a sale in excess of \$25,000 in the same Investment Option in Contract 2. All transfers are monitored, including without limitation, systematic transfers such as dollar cost averaging, rebalancing, systematic contributions and systematic withdrawals. 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 Option(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.

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 Sub-accounts, 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.

EXAMPLE: Assume that you want your initial Purchase Payment split between 2 Sub-accounts. You want 40% to be in the Fixed Income Portfolio Sub-account and 60% to be in the Growth Portfolio Sub-account. 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 Portfolio Sub-account 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 Portfolio Sub-account to bring its value back to 40% and use the money to buy more units in the Growth Portfolio Sub-account to increase those holdings to 60%.

#### ASSET ALLOCATION PROGRAM

Jefferson National understands the importance to you of having advice from a financial advisor regarding your investments in the Contract (asset allocation program). 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.

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#### 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 deducted from each Sub-Account, pro rata. We will deduct the subscription fee each month during the Accumulation Period. We will not impose the fee during the Annuity Period.

#### INSURANCE CHARGES

We impose no other insurance charges.

#### CONTRACT MAINTENANCE CHARGE

We impose no other contract maintenance charge.

#### 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

We impose no transfer fee for transfers made during the Accumulation Period or Annuity Period. We reserve the right to impose a fee for excessive transfers after notifying You in advance.

#### 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 either Annuity Payments begin, a death benefit is paid or upon partial or full surrender of the Contract. 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.

#### 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 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 Sub-account. 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 premium tax and less any pro rata subscription fees.

You must tell Us which Investment Options you want a partial withdrawal to come from. Under most circumstances, the amount of any partial withdrawal from any Investment Options must be for at least \$500. There is no minimum required if the partial withdrawal is pursuant to our Systematic Withdrawal Program (see below).

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 Jefferson National will pay the amount of any withdrawal from the Investment Options 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).

Certain withdrawal restrictions may apply if your Contract is issued in connection with a Section 403(b) tax-qualified plan (also known as a tax-sheltered annuity). See "Taxes" in this Prospectus.

#### 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 Options 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.

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 Options until distribution begins. Until we distribute the Death Benefit Amount, the Death Benefit Amount in the Sub-accounts will be subject to investment risk, which is borne by the Beneficiary.

##### DEATH BENEFIT AMOUNT DURING THE ACCUMULATION PERIOD

The Death Benefit Amount will be the Contract Value, less the Subscription Fee, 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.

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.

Any portion of the Death Benefit Amount not applied under Option 3 within 1 year of the date of your death, or that of a Joint Owner, must be distributed within 5 years of the date of death.

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

- o continue the Contract in his or her own name at the then current Death Benefit Amount;
- o elect a lump sum payment of the Death Benefit Amount; or
- o 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. If the spouse elects to continue the Contract, the Death Benefit

Amount otherwise payable will be the initial Purchase Payment for the purpose of determining benefits under the Contract for the continuing spouse.

#### 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.

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#### 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 90 days after the Contract issue date, but may not be later than the maximum date permitted under applicable state law.

For a Contract held under a tax-qualified retirement arrangement (other than an IRA), the Annuity Date generally may not be later than (i) April 1 of the year after the year in which the Annuitant attains age 70 1/2, or (ii) the calendar year in which the Annuitant retires if later. 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; and
- 4) the Annuity Option you select.

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 selected 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.

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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.

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

#### TAXES

NOTE: Jefferson National has prepared the following information on taxes as a general discussion of the subject. 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 Separate 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 Sub-account, 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 Separate 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. There is little guidance in this area, and some features of Our Contracts, such as the flexibility of an owner to allocate Premium Payments and transfer amounts among the Sub-Accounts of the Separate Account have not been explicitly addressed in published rulings. While we believe that the Contracts do not give owners investment control over Separate Account assets, we reserve the right to modify the Contracts as necessary to prevent an owner from being treated as the owner of the Separate 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. Specifically, Section 72(s) requires that (a) if any Owner dies on or after the annuity starting date, but prior to the time the entire interest in the Contract has been distributed, the entire interest in the

Contract will be distributed at least as rapidly as under the method of distribution being used as of the date of such Owner's death; and (b) if any Owner dies prior to the annuity starting date, the entire interest in the Contract will be distributed within five years after the date of such Owner's death. These requirements will be considered satisfied as to any portion of a Owner's interest which is payable to or for the benefit of a designated Beneficiary and which is distributed over the life of such designated Beneficiary or over a period not extending beyond the life expectancy of that Beneficiary, provided that such distributions begin within one year of the Owner's death. The designated Beneficiary refers to a natural person designated by the Owner as a Beneficiary and to whom Ownership of the Contract passes by reason of death. However, if the designated Beneficiary is the surviving spouse of the deceased Owner, the Contract may be continued with the surviving spouse as the new Owner.

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.

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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 70 1/2. Distributions may be paid in a lump sum or in substantially equal payments over:  
(a) the life of the Owner or the joint lives of the Owner and the Owner's designated beneficiary; or  
(b) a period not longer than the period determined under the table in Treasury Regulation 1.401(a)(9)-5, which is the deemed joint life expectancy of the Owner and a person 10 years younger than the Owner. If the designated beneficiary is the spouse of the Owner, the period may not exceed the longer of the period determined under such table or the joint life expectancy of the Owner and the Owner's spouse, determined in accordance with Treasury Regulation 1.72-9, or such additional guidance as may be provided pursuant to Treasury Regulation 1.401(a)(9)-5. For Tax Sheltered Annuities, required distributions do not have to be withdrawn from the Contract if they are being withdrawn from another Tax Sheltered Annuity You own.

For Individual Retirement Annuities, SEP IRAs and Simple IRAs, required distributions do not have to be withdrawn from this Contract if they are being withdrawn from another Individual Retirement Annuity, SEP IRA or Simple IRA You own. If the Owner's entire interest in a Tax Sheltered Annuity, Individual Retirement Annuity, SEP IRA or Simple IRA will be distributed in equal or substantially equal payments over a period described in (a) or (b) above, the payments must begin on or before the required beginning date. The required beginning date is April 1 of the calendar year following the calendar year in which the Owner reaches age 70 1/2. 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 period, which is determined as follows:  
(a) if the designated beneficiary is the Owner's spouse, the applicable distribution period is the surviving spouse's remaining life expectancy using the surviving spouse's birthday for each distribution calendar year after the calendar year of the Owner's death. For calendar years after the death of the Owner's surviving spouse, the applicable distribution period is the spouse's remaining life expectancy using the spouse's age in the calendar year of the spouse's death, reduced by one for each calendar year that elapsed since the calendar year immediately following the calendar year of the spouse's death;  
(b) if the designated beneficiary is not the Owner's surviving spouse, the applicable distribution period is the designated beneficiary's remaining life expectancy using the designated beneficiary's birthday in the calendar year immediately following the calendar year of the Owner's death, reduced by one for each calendar year that elapsed thereafter; and  
(c) if there is no designated beneficiary, the entire balance of the contract must be distributed by December 31 of the fifth year following the Owner's death. If the Owner dies on or after the required beginning date, the interest in the Tax Sheltered Annuity, Individual Retirement Annuity, SEP IRA or Simple IRA must be distributed over a period not exceeding the applicable distribution period, which is determined as follows:

If distribution requirements are not met, a penalty tax of 50% is levied on the difference between the amount that should have been distributed for that year and the amount that actually was distributed for that year. 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" (see "Federal Tax Considerations").

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.

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**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:

- o made on or after the taxpayer reaches age 59 1/2;
- o made on or after the death of an Owner;
- o attributable to the taxpayer's becoming disabled; or
- o made as part of a series of substantially equal periodic payments for the life (or life expectancy) of the taxpayer.

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.

**INDIVIDUAL RETIREMENT ACCOUNTS (IRAs),** as defined in Section 408 of the Code, permit individuals to make annual contributions of up to the lesser of a specified annual amount or the amount of compensation includible in the individual's gross income for the year. The contributions may be deductible in whole or in part, depending on the individual's income. Distributions from certain pension plans may be "rolled over" into an IRA on a tax-deferred basis

without regard to these limits. Amounts in the IRA (other than nondeductible contributions) are taxed when distributed from the IRA. A 10% penalty tax generally applies to distributions made before age 59 1/2, unless certain exceptions apply. The IRS has not reviewed the Contract for qualification as an IRA. You should consult your tax adviser regarding these features and benefits if you have any questions prior to purchasing a Contract.

ROTH IRAS, as described in Code Section 408A, permit certain eligible individuals to make non-deductible contributions to a Roth IRA in cash or as a rollover or transfer from another Roth IRA or other IRA. A rollover from or conversion of an IRA to a Roth IRA is generally subject to tax and other special rules apply. The Owner may wish to consult a tax adviser before combining any converted amounts with any other Roth IRA contributions, including any other conversion amounts from other tax years. Distributions from a Roth IRA generally are not taxed, except that, once aggregate distributions exceed contributions to the Roth IRA, income tax and a 10% penalty tax may apply to distributions made (1) before age 59 1/2 (subject to certain exceptions) or (2) during the five taxable years starting with the year in which the first contribution is made to any Roth IRA. A 10% penalty tax may apply to amounts attributable to a conversion from an IRA if they are distributed during the five taxable years beginning with the year in which the conversion was made.

CORPORATE PENSION AND PROFIT-SHARING PLANS under Section 401(a) of the Code allow corporate employers to establish various types of retirement plans for employees, and self-employed individuals to establish qualified plans for themselves and their employees. Adverse tax consequences to the retirement plan, the participant or both may result if the Contract is transferred to any individual as a means to provide benefit payments, unless the plan complies with all the requirements applicable to such benefits prior to transferring the Contract.

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TAX SHELTERED ANNUITIES under section 403(b) of the Code allow employees of certain Section 501(c)(3) organizations and public schools to exclude from their gross income the Purchase Payments made, within certain limits, on a contract that will provide an annuity for the employee's retirement. These Purchase Payments may be subject to FICA (Social Security) tax.

Distributions of (1) salary reduction contributions made in years beginning after December 31, 1988; (2) earnings on those contributions; and (3) earnings on amounts held as of the last year beginning before January 1, 1989, are not allowed prior to age 59 1/2, separation from service, death or disability. Salary reduction contributions may also be distributed upon hardship, but would generally be subject to penalties.

CODE SECTION 457, while not actually providing for a qualified plan as that term is normally used, provides for certain deferred compensation plans with respect to service for state governments, local governments, political subdivisions, agencies, instrumentalities and certain affiliates of such entities, and tax exempt organizations. The Contract can be used with such plans. Under such plans a participant may specify the form of investment in which his or her participation will be made. Under a non-governmental plan, all such investments, however, are owned by and are subject to, the claims of the general creditors of the sponsoring employer. In general, all amounts received under a section 457 plan are taxable and are subject to federal income tax withholding as wages.

OTHER TAX ISSUES. Qualified Contracts have minimum distribution rules that govern the timing and amount of distributions. You should refer to your retirement plan, adoption agreement, or consult a tax advisor for more information about these distribution rules.

Distributions from contracts generally are subject to withholding for the Owner's federal income tax liability. The withholding rate varies according to the type of distribution and the Owner's tax status. The Owner will be provided the opportunity to elect not to have tax withheld from distributions.

"Eligible rollover distributions" from section 401(a) and 403(b) plans are subject to a mandatory federal income tax withholding of 20%. An eligible rollover distribution is any distribution to an employee from such a plan, except certain distributions such as distributions required by the Code, certain distributions of after-tax contributions, hardship distributions, or distributions in a specified annuity form. The 20% withholding does not apply, however, if the employee chooses a "direct rollover" from the plan to another tax-qualified plan, 403(b) plan, governmental section 457 plan, or IRA.

#### 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 Inviva 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., of which Jefferson National is an indirect wholly-owned subsidiary, 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.

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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:

- o create new Separate Accounts;
- o combine separate accounts, including combining the Separate Account with another separate account established by the Company;
- o 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;
- o transfer the Separate Account to another insurance company;
- o add new Sub-accounts to or remove Sub-accounts from the Separate Account, or combine Sub-accounts;
- o make the Sub-accounts available under other policies we issue;
- o add new Investment Portfolios or remove existing Investment Portfolios;
- o 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;
- o deregister the Separate Account under the Investment Company Act of 1940; and
- o operate the Separate Account under the direction of a committee or in another form.

#### DISTRIBUTOR

Inviva Securities Corporation (ISC), 9920 Corporate Campus Drive, Suite 1000, Louisville, Kentucky 40223, acts as the distributor of the Contracts. ISC is a broker-dealer registered under the Securities Exchange Act of 1934 and a member of the National Association of Securities Dealers, Inc. Sales of the Contracts will 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 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.

None of the Accumulation Units being offered by this prospectus had been issued as of December 31, 2004. Accordingly, no financial statements of Jefferson National Life Annuity Account G are included.

#### INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.

The statutory-basis financial statements of Jefferson National Life Insurance Company as of December 31, 2004 and 2003, and for the years then ended, appearing in this Statement of Additional Information have been audited by Ernst & Young LLP, Independent Registered Public Accounting Firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

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#### 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.

#### 40/86 SERIES TRUST

40/86 Series Trust is managed by 40/86 Advisors, Inc. 40/86 Series Trust is a mutual fund with multiple portfolios. As of the date of this prospectus the 40/86 Series Trust Money Market Portfolio permits active trading. This may change at any time without notice. For more information, see prospectus. The following Investment Portfolios are available under the Contract:

#### 40/86 SERIES TRUST BALANCED PORTFOLIO

The 40/86 Series Trust Balanced Portfolio seeks a high total investment return, consistent with the preservation of capital and prudent investment risk.

#### 40/86 SERIES TRUST EQUITY PORTFOLIO

The 40/86 Series Trust Equity Portfolio seeks to provide a high total return consistent with preservation of capital and a prudent level of risk. The Portfolio normally invests at least 80% of its assets in U.S. common stocks, primarily in small and midsize U.S. companies, widely diversified by industry and company.

#### 40/86 SERIES TRUST FIXED INCOME PORTFOLIO

The 40/86 Series Trust Fixed Income Portfolio seeks the highest level of income consistent with preservation of capital. The Portfolio normally invests at least 80% of its assets in investment-grade U.S. and foreign corporate and government debt.

#### 40/86 SERIES TRUST GOVERNMENT SECURITIES PORTFOLIO

The 40/86 Series Trust Government Securities Portfolio seeks safety of capital, liquidity and current income. The Portfolio normally invests at least 80% of its assets in securities issued by the U.S. government and its agencies and instrumentalities.

#### 40/86 SERIES TRUST HIGH YIELD PORTFOLIO

The 40/86 Series Trust High Yield Portfolio seeks to provide a high level of current income with a secondary objective of capital appreciation. The Portfolio normally invests at least 80% of its assets in high-yield (below investment grade) fixed income securities.

#### 40/86 SERIES TRUST MONEY MARKET PORTFOLIO

The 40/86 Series Trust Money Market Portfolio seeks current income consistent with stability of capital and liquidity. The portfolio may invest in U.S. government securities, bank obligations, commercial paper obligations, short-term corporate debt securities and municipal obligations.

#### AIM VARIABLE INSURANCE FUNDS

The AIM Variable Insurance Funds is a mutual fund with multiple portfolios. A I M Advisors, Inc. serves as the investment advisor. INVESCO Institutional (N.A.), Inc. serves as the investment subadvisor for AIM V.I.-- Core Stock Fund and AIM V.I. Real Estate Fund. The following Investment Portfolios are available under the Contract:

#### AIM V.I. BASIC VALUE FUND - 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 of greater than \$500 million.

#### AIM V.I. MID CAP CORE EQUITY FUND - 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 net assets plus the amount of any borrowings for investment purposes, in equity securities, including convertible securities, of mid-capitalization companies.

#### AIM V.I. HIGH YIELD FUND - SERIES I SHARES

The fund's investment objective is to achieve a high level of current income. 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 non-investment grade debt securities, i.e., "junk bonds."

AIM V.I. REAL ESTATE FUND - SERIES I SHARES

The fund's investment objective is to achieve high total return. 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.

AIM V.I. CORE STOCK FUND - SERIES I SHARES (FORMERLY KNOWN AS INVESCO VIF - CORE EQUITY FUND).

The Fund seeks to provide a high total return through both growth and current income. It is actively managed. The Fund normally invests at least 80% of its net assets in common and preferred stocks.

AIM V.I. FINANCIAL SERVICES FUND - SERIES I SHARES (FORMERLY KNOWN AS INVESCO VIF--FINANCIAL SERVICES FUND).

The Fund seeks capital growth. It is actively managed. The Fund normally invests at least 80% of its net assets in the equity securities and equity-related instruments of companies involved in the financial services sector.

AIM V.I. HEALTH SCIENCES FUND SERIES I SHARES (FORMERLY KNOWN AS INVESCO VIF--HEALTH SCIENCES FUND) (EFFECTIVE JULY 1, 2005 RENAMED AIM V.I. GLOBAL HEALTH CARE FUND - SERIES I SHARES.)

The Fund seeks capital growth. It is actively managed. The Fund normally invests 80% of its assets in securities of health care industry companies.

AIM V.I. TECHNOLOGY FUND - SERIES I SHARES (FORMERLY KNOWN AS INVESCO VIF--TECHNOLOGY FUND).

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The Fund seeks capital growth. The Fund normally invests at least 80% of its net assets in the equity securities and equity-related instruments of companies engaged 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 GROWTH PORTFOLIO

The Alger American Growth Portfolio seeks long-term capital appreciation. It 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 large companies.

ALGER AMERICAN LEVERAGED ALLCAP PORTFOLIO

The Alger American Leveraged AllCap Portfolio seeks long-term capital appreciation.

ALGER AMERICAN MIDCAP GROWTH PORTFOLIO

The Alger American MidCap Growth Portfolio seeks long-term capital appreciation. It focuses on midsize companies with promising growth potential.

ALGER AMERICAN SMALL CAPITALIZATION PORTFOLIO

The Alger American Small Capitalization Portfolio seeks long-term capital appreciation. It focuses on small, fast-growing companies that offer innovative products, services or technologies to a rapidly expanding marketplace.

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. The following Investment Portfolios are available under the Contract:

AMERICAN CENTURY INVESTMENTS VP BALANCED FUND

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 FUND

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

AMERICAN CENTURY INVESTMENTS VP INFLATION PROTECTION FUND

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 FUND

The American Century VP International Fund seeks capital growth. The fund managers use a growth investment strategy developed by American Century to invest in stocks of companies that they believe will increase in value over time.

AMERICAN CENTURY INVESTMENTS VP VALUE FUND

The American Century VP Value Fund seeks long-term capital growth. Income is a secondary objective.

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 INVESTMENTS PORTFOLIOS (INSTITUTIONAL 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 PORTFOLIO

The portfolio seeks to match the performance of the Standard & Poor's (S&P) SmallCap 600 Index (R). To pursue this goal, the portfolio invests in a representative sample of stocks included in the S&P SmallCap 600 Index(R), 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 Mellon Equity Associates.

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--DISCIPLINED STOCK PORTFOLIO

The Dreyfus VIF--Disciplined Stock Portfolio seeks investment returns (consisting of capital appreciation and income) that are greater than the total return performance of stocks represented by the Standard & Poor's 500 Composite Stock Price Index. To pursue this goal, the portfolio invests at least 80% of its assets in stocks.

DREYFUS VIF--INTERNATIONAL VALUE PORTFOLIO

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.

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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) and the Federated Capital Income Fund II. Federated Global Investment Management Corp. is the adviser to the Federated International Equity Fund II. The following Investment Portfolios are available under the Contract:

FEDERATED CAPITAL INCOME FUND 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.

FEDERATED HIGH INCOME BOND FUND II (PRIMARY SHARES)

The Federated High Income Bond Fund II's (Primary Shares) 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").

FEDERATED INTERNATIONAL EQUITY FUND 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.

JANUS ASPEN SERIES

Janus Aspen Series is a mutual fund with multiple portfolios. Janus Capital Management LLC is the investment adviser to the fund. The following Investment Portfolios are available under your Contract:

JANUS ASPEN LARGE CAP GROWTH PORTFOLIO (SERVICE SHARES) (FORMERLY KNOWN AS JANUS ASPEN GROWTH PORTFOLIO)

The Janus Aspen Large Cap Growth Portfolio seeks long-term growth of capital in a manner consistent with the preservation of capital. It has a non-fundamental policy to invest under normal circumstances, at least 80% of its net assets in large-sized companies. Large-sized companies are those whose market capitalization falls within the range of companies in the Russell 1000(R) Index, at the time of purchase.

JANUS ASPEN MID CAP GROWTH PORTFOLIO (SERVICE SHARES)

The Janus Aspen Mid Cap Growth Portfolio seeks long-term growth of capital. It pursues its 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 initial purchase, in the 12-month average of the capitalization range of the Russell Midcap Growth Index.

JANUS ASPEN SERIES GROWTH & INCOME PORTFOLIO (SERVICE 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 SERIES INTERNATIONAL GROWTH PORTFOLIO (SERVICE SHARES)

The Janus Aspen Series 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 at least five different countries, excluding the United States.

#### JANUS ASPEN WORLDWIDE GROWTH PORTFOLIO (SERVICE SHARES)

The Janus Aspen Worldwide Growth Portfolio seeks long-term growth in capital in a manner consistent with the preservation of capital. It pursues its objective by investing primarily in common stocks of companies of any size through the world.

#### 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 LLC, a Delaware limited liability company. LF&Co. established Lazard Asset Management as its investment management division and registered with the Securities and Exchange Commission as an investment advisor on May 1, 1970. The following Investment Portfolios are available under the Contract:

#### LAZARD RETIREMENT EMERGING MARKETS PORTFOLIO

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 EQUITY PORTFOLIO

The Portfolio seeks long-term capital appreciation. The Portfolio invests primarily in equity securities, principally common stocks, of relatively large U.S. companies with market capitalizations in the range of companies included in the S&P 500(R) Index that the Investment Manager believes are undervalued based on their earnings, cash flow or asset values. Under normal circumstances, the Portfolio invests at least 80% of its assets in equity securities. The Portfolio also may invest up to 15% of its total assets in non-U.S. equity securities that trade in U.S. markets.

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#### LAZARD RETIREMENT INTERNATIONAL EQUITY PORTFOLIO

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 in the Morgan Stanley Capital International (MSCI(R)) Europe, Australia and Far East (EAFE(R)) 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.

#### LAZARD RETIREMENT SMALL CAP PORTFOLIO

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(R) 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:

- o The potential to become a larger factor in the company's business sector
- o Significant debt but high levels of free cash flow
- o 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.

LORD ABBETT SERIES FUND, INC.

Lord Abnett Series Fund, Inc. is a mutual fund with multiple portfolios. The fund's investment adviser is Lord, Abnett & Co. LLC ("Lord Abnett"), 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 PORTFOLIO

The Fund's investment objective is to seek current income and capital appreciation. To pursue this goal, the Fund 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 Fund generally uses a value approach to identify particular investments for the Fund. The mix of the Fund'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 Fund invests at least 65% of its net assets in equity securities and may invest its remaining assets in equity or fixed income securities. The Fund 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 Fund will provide shareholders with at least 60 days' notice of any change in this policy. The Fund 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.--GROWTH AND INCOME PORTFOLIO

Seeks 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 Fund 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 January 31, 2005, the market capitalization range of the Russell 1000 Index was \$471 million to \$382 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.

NEUBERGER BERMAN ADVISERS MANAGEMENT TRUST

Neuberger Berman Advisers Management Trust is a mutual fund with multiple portfolios. The fund is managed by Neuberger Berman Management, Inc. The following Investment Portfolios are available under the Contract:

NEUBERGER BERMAN AMT FASCIANO PORTFOLIO (CLASS S)

The fund seeks long-term capital growth. The portfolio manager also may consider a company's potential for current income prior to selecting it for the fund. To pursue this goal, the fund invests mainly in common stocks of small-capitalization companies, which it defines as those with a total market value of no more than \$1.5 billion at the time the fund first invests in them.

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NEUBERGER BERMAN AMT HIGH INCOME BOND FUND

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 intermediateterm, high-yield corporate bonds of U. S. issuers (including those sometimes known as "junk bonds") with maturities of 10 years or less rated at the time of investment "Baa1" to "B3" by Moody's Investors Service, Inc. ("Moody's"), or "BBB+" to "B-" by Standard & Poor's ("S&P"), or unrated bonds deemed by Neuberger Berman Management Inc. to be of comparable quality.

NEUBERGER BERMAN AMT LIMITED MATURITY BOND PORTFOLIO

The Limited Maturity Bond Portfolio seeks the highest available current income consistent with liquidity and low risk to principal; total return is a secondary goal.

NEUBERGER BERMAN AMT MIDCAP GROWTH PORTFOLIO

The Neuberger Berman AMT Midcap Growth Portfolio seeks growth of capital. To pursue this goal, the portfolio invests mainly in common stocks of mid-capitalization companies.

NEUBERGER BERMAN AMT PARTNERS PORTFOLIO

The Neuberger Berman AMT Partners Portfolio seeks growth of capital. The managers look for well-managed companies whose stock prices are believed to be undervalued.

NEUBERGER BERMAN AMT REGENCY PORTFOLIO

The fund seeks growth of capital. To pursue this goal, the fund invests mainly in common stocks of mid-capitalization companies.

NEUBERGER BERMAN AMT SOCIALLY RESPONSIVE PORTFOLIO

Seeks long-term growth of capital. Invests in companies that meet the fund's financial criteria and social policy--mainly in mid- to large-cap companies.

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 MONEY MARKET PORTFOLIO

Seeks maximum current income, consistent with preservation of capital and daily liquidity. Invests at least 95% of assets in a diversified portfolio of money market securities that are in the highest rating category for short-term obligations.

PIMCO VIT REAL RETURN PORTFOLIO

The Portfolio seeks maximum real return, consistent with preservation of real capital and prudent investment management. The Portfolio seeks 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 government-sponsored enterprises and corporations.

PIMCO VIT SHORT TERM PORTFOLIO

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 TOTAL RETURN PORTFOLIO

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 EQUITY INCOME VCT PORTFOLIO

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 EUROPE VCT PORTFOLIO

The Pioneer Europe VCT Portfolio seeks long-term growth of capital. The portfolio invests primarily in equity securities of European issuers.

PIONEER FUND VCT PORTFOLIO

The Pioneer Fund VCT Portfolio seeks reasonable income and capital growth. The Portfolio invests the major portion of its assets in equity securities, primarily of U.S. issuers.

PIONEER CORE BOND VCT PORTFOLIO (AVAILABLE JUNE 24, 2005)

The Pioneer Core Bond VCT Portfolio seeks to provide current income from an investment grade portfolio with due regard to preservation of capital and prudent investment risk. The portfolio invests at least 80% of its assets in debt securities and cash and cash equivalents, certificates of deposit, repurchase agreements maturing in one week or less and bankers' acceptances. (Subject to change, but based on retail)

PIONEER HIGH YIELD VCT PORTFOLIO

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

PIONEER MONEY MARKET VCT PORTFOLIO (CLASS II SHARES ONLY)

The Pioneer Money Market VCT Portfolio seeks current income consistent with the preservation of capital and providing liquidity

PIONEER MID CAP VALUE VCT PORTFOLIO

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, that is, companies with market values within the range of market values of companies included in the Russell Mid-Cap Value Index.

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THE POTOMAC INSURANCE TRUST

The Potomac Insurance Trust is managed by Rafferty Asset Management, LLC, which provides investment services to the Fund. Rafferty is located at 33 Whitehall St. 10th Floor, New York, NY 10004. As of the date of this prospectus the Potomac 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:

POTOMAC DYNAMIC VP HY BOND FUND

Potomac Dynamic 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.

ROYCE CAPITAL FUND

Royce Capital Fund is a mutual fund with multiple portfolios. Royce & Associates, LLC is the Funds' investment adviser and is responsible for the management of the Funds' assets. The following Investment Portfolios are

available under the Contract:

ROYCE CAPITAL FUND--MICRO-CAP PORTFOLIO

Royce Capital Fund--Micro-Cap Portfolio's investment goal is long-term growth of capital. Royce invests the Fund's assets primarily in a broadly diversified portfolio of equity securities issued by micro-cap companies.

ROYCE CAPITAL FUND--SMALL-CAP PORTFOLIO

Royce Capital Fund--Small-Cap Portfolio's primary investment goal is long-term growth of capital. Current income is a secondary goal.

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, and CLS AdvisorOne Clermont Fund 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 ARKTOS FUND

The Arktos 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(R) (the "underlying index"). Unlike a traditional index fund, the Arktos Fund's benchmark is to perform exactly opposite the underlying index.

RYDEX BANKING FUND

The Banking 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 Basic Materials 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 FUND

The Biotechnology 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 CONSUMER PRODUCTS

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

RYDEX ELECTRONICS FUND

The Electronics 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 FUND

The Energy 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 FUND

The Energy Services 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 FINANCIAL SERVICES FUND

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

RYDEX HEALTH CARE FUND

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

RYDEX INTERNET FUND

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

RYDEX INVERSE DYNAMIC DOW 30 FUND

The Inverse Dynamic Dow 30 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 MID-CAP FUND

The Inverse Mid-Cap 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 SMALL-CAP FUND

The Inverse Small-Cap 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(R) (the "underlying index"). Unlike a traditional index fund, the Fund's objective is to perform exactly the opposite of the underlying index.

#### RYDEX JUNO FUND

The Juno 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 Long Treasury Bond.

#### RYDEX LARGE CAP EUROPE FUND

The Large-Cap Europe 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 STOXX 50 Index(SM). 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 JAPAN FUND

The Large-Cap Japan 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 FUND

The Large-Cap Growth 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/Barra Growth Index.

#### RYDEX LARGE CAP VALUE FUND

The Large-Cap Value 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/Barra Value Index.

#### RYDEX LEISURE FUND

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

#### RYDEX LONG DYNAMIC DOW 30 FUND

The Long Dynamic Dow 30 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 MEDIUS FUND

The Medius 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(R) Index. The Fund's investment advisor will attempt to consistently apply leverage to increase the Fund's exposure to 150% of its benchmark.

#### RYDEX MEKROS FUND

The Mekros 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(R). 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 FUND

The Mid-Cap Growth 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/Barra Growth Index.

#### RYDEX MID-CAP VALUE FUND

The Mid-Cap Value 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/Barra Value Index (the "underlying index").

#### RYDEX NOVA FUND

The Nova 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(R) Index (the "underlying index").

#### RYDEX OTC FUND

The OTC 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(R) (the "underlying index").

#### RYDEX PRECIOUS METALS FUND

The Precious Metals 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 FUND

The Real Estate 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 FUND

The Retailing 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 SECTOR ROTATION FUND

The Sector Rotation 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 FUND

The Small-Cap Growth 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/Barra Growth Index.

RYDEX SMALL-CAP VALUE FUND

The Small-Cap Value 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/Barra Value Index.

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RYDEX TECHNOLOGY FUND

The Technology 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 FUND

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

RYDEX TITAN 500 FUND

The Titan 500 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(R) Index.

RYDEX TRANSPORTATION FUND

The Transportation 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 URSA FUND

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

RYDEX U.S. GOVERNMENT BOND FUND

The U.S. Government Bond 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 U.S. GOVERNMENT MONEY MARKET FUND

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 FUND

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

RYDEX VELOCITY 100 FUND

The Velocity 100 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(R).

CLS ADVISORONE AMERIGO FUND

The Fund seeks capital appreciation and 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 FUND

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.

SALOMON BROTHERS ASSET MANAGEMENT INC

Salomon Brothers is located at 399 Park Avenue, New York, New York, and is a subsidiary of Citigroup Inc. Salomon Brothers, together with its affiliates in London, Frankfurt, Tokyo and Hong Kong, provides a broad range of fixed income and equity investment services to individuals and institutional clients throughout the world. As of December 31, 2004, Salomon Brothers had approximately \$79.9B in assets under management.

SALOMON BROTHERS VARIABLE AGGRESSIVE GROWTH FUND (GREENWICH STREET SERIES

CLASS I)

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 that comprise 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, a significant portion of the fund's assets may be invested in the securities of small to medium-sized companies because such companies often achieve higher earnings growth rates.

SALOMON BROTHERS VARIABLE ALL CAP FUND (CLASS I)

The fund seeks capital appreciation through investment in securities which the manager believes have above-average capital appreciation potential. This objective may be changed without shareholder approval. The fund invests primarily in common stocks and common stock equivalents, such as preferred stocks and securities convertible into common stocks, 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

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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. The fund may also invest in non-dividend paying stocks.

SALOMON BROTHERS VARIABLE HIGH YIELD BOND FUND (CLASS I)

The fund seeks to maximize total return, consistent with the preservation of capital. This objective may be changed without shareholder approval. 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. Credit Quality: 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. Below investment grade securities are commonly referred to as "junk bonds." Maturity: the fund normally maintains an average portfolio maturity of between 6 and 12 years. However, the fund may invest in individual securities of any maturity.

SB GOVERNMENT PORTFOLIO (SALOMON CLASS B SHARES)

The fund seeks high current return consistent with reservation of capital. Under normal market conditions, the fund invests at least 80% of its net assets in debt securities issued or guaranteed by the U.S. government, its agencies or instrumentalities and related investments. These securities include U.S. Treasury securities, and mortgage-related and asset-backed securities. Some government mortgage-related securities are backed by the full faith and credit of the U.S.

Treasury, some are supported by the right of the issuer to borrow from the U.S. government and some are backed only by the credit of the issuer itself. The fund also may purchase or sell options on U.S. government securities and enter into interest rate futures contracts and options on these contracts.

SALOMON BROTHERS VARIABLE LARGE CAP GROWTH FUND (CLASS I)

The fund seeks long-term growth of capital. This objective may be changed without shareholder approval. The fund invests, under normal circumstances, at least 80% of its assets in equity securities of companies with large market capitalizations and related investments. Large capitalization companies are those with total market capitalizations of \$5 billion or more at the time of investment. Equity securities include U.S. exchange traded and over-the-counter common stocks, debt securities convertible into equity securities, and warrants and rights relating to equity securities.

SALOMON BROTHERS VARIABLE STRATEGIC FUND (CLASS I)

The fund seeks to maximize total return, consistent with the preservation of capital. This objective may be changed without shareholder approval. 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:

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

SALOMON BROTHERS VARIABLE TOTAL RETURN FUND (CLASS I)

The fund seeks to obtain above-average income (compared to a portfolio entirely invested in equity securities). The fund's secondary objective is to take advantage of opportunities to achieve growth of capital and income. These objectives may be changed without shareholder approval.

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 PORTFOLIO

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 PORTFOLIO

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.

WELLS FARGO ADVANTAGE FUNDS

The Wells Fargo Advantage Funds is managed by Wells Fargo Management, LLC and is sub advised by Wells Capital Management, Inc. fund. We invest in equity securities of medium-capitalization companies that we believe are under-priced, yet have attractive growth prospects. The following Investment Portfolio is available under the Contract:

WELLS FARGO ADVANTAGE OPPORTUNITY FUND (FORMERLY STRONG OPPORTUNITY FUND II)

The Wells Fargo Advantage Opportunity Fund seeks long-term capital appreciation. The Fund invests 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.

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WELLS FARGO ADVANTAGE DISCOVERY FUND

The Wells Fargo Advantage Discovery Fund seeks long-term capital appreciation. We invest principally in securities of small- and medium-capitalization companies, which are defined as those with market capitalizations equal to or lower than the company with the largest capitalization in the Russell Midcap(R) Index (which had a range of \$631 million to \$33.8 billion as of December 31, 2004, and is expected to change frequently), at the time of investment. We may invest up to 25% of the Fund's assets in foreign securities through ADRs and similar investments.

THIRD AVENUE VARIABLE SERIES TRUST

The Third Avenue Variable Series Trust is a mutual fund with multiple portfolios. 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 PORTFOLIO

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 debt in comparison to their cash resources) at a substantial 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.

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 FUND

The 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 FUND

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 FUND

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 FUND

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 FUND

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.

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(cut along dotted line)

If you would like a free copy of the Statement of Additional Information (Form # JNL-MNTADV-SAI-G-0505 dated May 1, 2005 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 fixed and variable annuity at the following address:

Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
(Signature)  
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Jefferson National Life Insurance Company  
P.O. Box 36840  
Louisville, Kentucky 40233

STATEMENT OF ADDITIONAL INFORMATION

INDIVIDUAL VARIABLE ANNUITY

ISSUED BY

JEFFERSON NATIONAL LIFE INSURANCE COMPANY

AND

JEFFERSON NATIONAL LIFE ANNUITY ACCOUNT G

ADMINISTRATIVE OFFICE: P.O. BOX 36840, LOUISVILLE, KENTUCKY 40233  
PHONE: (866) 667-0561 (TOLL FREE)

MAY 1, 2005

This Statement of Additional Information is not a prospectus and should be read in conjunction with the current prospectus for Jefferson National Life Annuity Account G (the "Separate Account"), dated May 1, 2005. You may obtain a copy of the current prospectus on our Website or by writing to us at our Administrative Office: P.O. Box 36840, Louisville, Kentucky 40233, telephone: (866) 667-0561.

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GENERAL INFORMATION

GENERAL INFORMATION REGARDING JEFFERSON NATIONAL LIFE INSURANCE COMPANY:

Jefferson National Life Insurance Company ("Jefferson National", "Company", "we", "our" or "us") is an indirect wholly-owned subsidiary of Inviva, Inc., a Delaware company. We are organized as a Texas stock life insurance company, and are subject to Texas law governing insurance companies. We are licensed to sell insurance products in forty-nine of the fifty states of the United States (all states except New York), and the District of Columbia. Jefferson National's executive offices are at 435 Hudson Street, 2nd Floor, New York, NY 10014. Our principal business office is 9920 Corporate Campus Drive, Suite 1000, Louisville, KY 40223.

Prior to May 1, 2003, Jefferson National was known as Conseco Variable Insurance Company ("CVIC"). On October 23, 2002 CVIC was purchased by Inviva, Inc. from Conseco Life Insurance Company of Texas. Prior to October 7, 1998, CVIC was known as Great American Reserve Insurance Company.

#### JEFFERSON NATIONAL LIFE ANNUITY ACCOUNT G:

Jefferson National Life Annuity Account G, also referred to as the "Separate Account", was established on January 18, 1996 pursuant to Texas law. 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 Separate Account meets the definition of a "separate account" under the federal securities laws and is registered with the Securities and Exchange Commission (the "SEC") as a unit investment trust under the Investment Company Act of 1940 (Investment Company Act). This registration does not involve supervision of the management of the separate account or the Company by the SEC.

The assets of the Separate Account are the property of the Company. However, the assets of the Separate Account, equal to its reserves and other contract liabilities, are not chargeable with liabilities arising out of any other business the Company may conduct. Income, gains, and losses, whether or not realized, from assets allocated to the Separate Account are credited to or charged against the Separate Account without regard to other income, gains, or losses of the Company.

The Separate Account holds assets of annuities issued by us with values and benefits that vary according to the investment performance of the underlying Investment Portfolios offered as Sub-accounts of the Separate Account. Each Sub-account invests exclusively in an Investment Portfolio. You will find additional information about the Investment Portfolios in their respective prospectuses. We do not guarantee the investment results of any Sub-account. You bear the entire investment risk.

We offer a number of Sub-accounts. Certain Sub-accounts may not be available in all jurisdictions. If and when we obtain approval of the applicable authorities to make such Sub-accounts available, we will notify Owners of the availability of such Sub-accounts.

A brief summary of the investment objectives and policies of each Investment Portfolio is found in the Prospectus. More detailed information about the investment objectives; policies, risks, costs and management of the Investment Portfolios are found in the prospectuses and statements of additional information for the Investment Portfolios. Also included in such information is the investment policy of each Investment Portfolio regarding the acceptable ratings by recognized rating services for bonds and other debt obligations. There can be no guarantee that any Investment Portfolio will meet its investment objectives.

Each underlying Investment Portfolio is registered under the Investment Company Act, as amended, as an open-end management investment company. Each underlying Investment Portfolio thereof may or may not be diversified as defined in the Investment Company Act. The trustees or directors, as applicable, of an underlying Investment Portfolio may add, eliminate or substitute Investment Portfolios from time to time.

#### CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following summary does not constitute tax advice. It is a general discussion of certain of the expected federal income tax consequences of investment in and distributions with respect to a Contract, based on the Internal Revenue Code of 1986, as amended, proposed and final Treasury regulations thereunder, judicial authority, and current administrative rulings and practice. This summary discusses only certain federal income tax consequences to "United States Persons," and does not discuss state, local, or foreign tax consequences. United States Persons means citizens or residents of the United States, domestic corporations, domestic partnerships and trusts or estates that are subject to United States federal income tax regardless of the source of their income.

#### TAX STATUS OF THE CONTRACT

The following discussion is based on the assumption that the Contract qualifies as an annuity contract for federal income tax purposes.

DIVERSIFICATION REQUIREMENTS. Section 817(h) of the Code provides that in order

for a variable contract which is based on a segregated asset account to qualify as an annuity contract under the Code, the investments made by such account must be "adequately diversified" in accordance with Treasury regulations. The Treasury regulations issued under Section 817(h) (Treas. Reg. Section 1.817-5) apply a diversification requirement to each of the Sub-accounts of the Separate Account. The Separate Account, through the funds and their Investment Portfolios, intends to comply with the diversification requirements of the Treasury.

Section 817(h) applies to variable annuity contracts other than pension plan contracts. The regulations reiterate that the diversification requirements do not apply to pension plan contracts. All of the qualified retirement plans (described below) are defined as pension plan contracts for these purposes. Notwithstanding the exception of qualified contracts from application of the diversification rules, the investment vehicle for Jefferson National's qualified Contracts (i.e., the funds) will be structured to comply with the diversification standards because it serves as the investment vehicle for nonqualified contracts as well as qualified contracts.

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**OWNER CONTROL.** In certain circumstances, owners of variable annuity contracts may be considered the owners, for federal income tax purposes, of the assets of the Separate Account used to support their contracts. In those circumstances, income and gains from the separate account assets would be includable in the variable annuity contract owner's gross income. The IRS has stated in published rulings that a variable contract owner will be considered the owner of Separate Account assets if the contract owner possesses incidents of ownership in those assets, such as the ability to exercise investment control over the assets. The Treasury Department subsequently announced, in connection with the issuance of regulations concerning investment diversification, that those regulations "do not provide guidance concerning the circumstances in which investor control of the investments of a segregated asset account may cause the investor, rather than the insurance company, to be treated as the owner of the assets in the account." This announcement also stated that guidance would be issued by way of regulations or rulings on the "extent to which contract owners may direct their investments to particular Sub-accounts without being treated as owners of underlying assets." The IRS has issued Revenue Ruling 2003-91 in which it ruled that the ability to choose among 20 Sub-accounts and make not more than one transfer per month without charge did not result in the owner of the Contract being treated as the owner of the assets in the Sub-accounts under the investor control doctrine.

The ownership rights under the Contract are similar to, but different in certain respects from, those described by the IRS in rulings in which it was determined that contract owners were not owners of Separate Account assets. Although we do not believe this to be the case, these differences could result in owners being treated as the owners of the assets of the Separate Account. We, therefore, reserve the right to modify the Contracts as necessary to attempt to prevent the owners of the Contracts from being considered the owners of a pro rata share of the assets of the Separate Account.

**DISTRIBUTION REQUIREMENTS.** The Code also requires that nonqualified contracts contain specific provisions for distribution of contract proceeds upon the death of an owner. In order to be treated as an annuity contract for federal income tax purposes, the Code requires that such contracts provide that if any owner dies on or after the maturity date and before the entire interest in the contract has been distributed, the remaining portion must be distributed at least as rapidly as under the method in effect on such owner's death. If any owner dies before the maturity date, the entire interest in the contract must generally be distributed within five years after such owner's date of death or be applied to provide an immediate annuity under which payments will begin within one year of such owner's death and will be made for the life of the beneficiary or for a period not extending beyond the life expectancy of the beneficiary. However, if such owner's death occurs prior to the maturity date, and such owner's surviving spouse is named beneficiary, then the contract may be continued with the surviving spouse as the new owner. If any owner is not a natural person, then for purposes of these distribution requirements, the primary annuitant shall be treated as an owner and any death or change of such primary annuitant shall be treated as the death of the owner. The Contract contains provisions intended to comply with these requirements of the Code. No regulations interpreting these requirements of the Code have yet been issued and thus no assurance can be given that the provisions contained in the Contracts satisfy all such Code requirements. The provisions contained in the Contracts will be reviewed and modified if necessary to maintain their compliance with the Code requirements when clarified by regulation or otherwise.

**WITHHOLDING.** The portion of any distribution under a Contract that is includable in gross income will be subject to federal income tax withholding unless the recipient of such distribution elects not to have federal income tax withheld and properly notifies us. For certain qualified Contracts, certain distributions are subject to mandatory withholding. The withholding rate varies according to



the type of distribution and the owner's tax status. For qualified Contracts, "eligible rollover distributions" from section 401(a) plans, section 403(a) annuities, section 403(b) tax-sheltered annuities and governmental section 457 deferred compensation plans are subject to a mandatory federal income tax withholding of 20%. An eligible rollover distribution is a distribution from such a plan, except certain distributions such as distributions required by the Code, hardship distributions, certain after-tax contributions, or distributions in a specified annuity form. The 20% withholding does not apply, however, to certain nontaxable distributions if the owner chooses a "direct rollover" from the plan to another tax-qualified plan or IRA.

**QUALIFIED CONTRACTS.** The qualified Contract is designed for use with several types of tax-qualified retirement plans. The tax rules applicable to participants and beneficiaries in tax-qualified retirement plans vary according to the type of plan and the terms and conditions of the plan. Special favorable tax treatment may be available for certain types of contributions and distributions. Adverse tax consequences may result from contributions in excess of specified limits; distributions prior to age 59 1/2 (subject to certain exceptions); distributions that do not conform to specified commencement and minimum distribution rules; and in other specified circumstances. Some retirement plans are subject to distribution and other requirements that are not incorporated into the Contracts and our Contract administration procedures. Owners, participants and beneficiaries are responsible for determining that contributions, distributions and other transactions with respect to the Contract comply with applicable law.

For qualified plans under sections 401(a), 403(a), 403(b), and 457, the Code requires that distributions generally must commence no later than the later of April 1 of the calendar year following the calendar year in which the owner (or plan participant) (i) reaches age 70 1/2 or (ii) retires, and must be made in a specified form or manner. If the plan participant is a "5 percent owner" (as defined in the Code), distributions generally must begin no later than April 1 of the calendar year in which the owner (or plan participant) reaches age 70 1/2. Each owner is responsible for requesting distributions under the Contract that satisfy applicable tax rules.

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We make no attempt to provide more than general information about use of the Contract with the various types of retirement plans. Purchasers of Contracts for use with any retirement plan should consult their legal counsel and tax advisor regarding the suitability of the Contract.

**INDIVIDUAL RETIREMENT ANNUITIES.** In order to qualify as a traditional individual retirement annuity ("IRA") under section 408(b) of the Code, a Contract must contain certain provisions: (i) the owner must be the annuitant; (ii) the Contract generally is not transferable by the owner, e.g., the owner may not designate a new owner, designate a contingent owner or assign the Contract as collateral security; (iii) subject to special rules, the total purchase payments for any tax year on behalf of any individual may not exceed \$4,000 for 2005 (\$4,500 if age 50 or older by the end of 2005), except in the case of a rollover amount or contribution under sections 402(c), 403(a)(4), 403(b)(8) or 408(d)(3) of the Code; (iv) annuity payments or partial withdrawals must begin no later than April 1 of the calendar year following the calendar year in which the annuitant attains age 70 1/2 and must be made in a specified form and manner; (v) an annuity payment option with a period certain that will guarantee annuity payments beyond the life expectancy of the annuitant and the beneficiary may not be selected; (vi) certain payments of death benefits must be made in the event the annuitant dies prior to the distribution of the annuity value; and (vii) the entire interest of the owner is non-forfeitable. Contracts intended to qualify as traditional IRAs under section 408(b) of the Code contain such provisions. Amounts in the IRA (other than nondeductible contributions) are taxed when distributed from the IRA. Distributions prior to age 59 1/2 (unless certain exceptions apply) are subject to a 10% penalty tax.

**ROTH INDIVIDUAL RETIREMENT ANNUITIES (ROTH IRA).** The Roth IRA, under section 408A of the Code, contains many of the same provisions as a traditional IRA. However, there are some differences. First, the contributions are not deductible and must be made in cash or as a rollover or transfer from another Roth IRA or other IRA. A rollover from or conversion of an IRA to a Roth IRA may be subject to tax and other special rules may apply to the rollover or conversion and to distributions attributable thereto. You should consult a tax advisor before combining any converted amounts with any other Roth IRA contributions, including any other conversion amounts from other tax years. The Roth IRA is available to individuals with earned income and whose modified adjusted gross income is under \$110,000 for single filers, \$160,000 for married filing jointly, and \$10,000 for married filing separately. The amount per individual that may be contributed to all IRAs (Roth and traditional) is \$4,000 for 2005 (\$4,500 if age 50 or older by the end of 2005). Secondly, the distributions are taxed differently. The Roth IRA offers tax-free distributions when made five tax years after the first contribution to any Roth IRA of the individual and made after attaining age 59 1/2, or to pay for qualified first time homebuyer expenses (lifetime maximum of

\$10,000), or due to death or disability. All other distributions are subject to income tax when made from earnings and may be subject to a premature withdrawal penalty tax unless an exception applies. A 10% penalty tax may apply to amounts attributable to a conversion from an IRA if the amounts are distributed within the five taxable years beginning with the year in which the conversion was made. Unlike the traditional IRA, there are no minimum required distributions during the owner's lifetime; however, required distributions at death are generally the same.

**SECTION 403(b) PLANS.** Under section 403(b) of the Code, payments made by public school systems and certain tax exempt organizations to purchase Contracts for their employees are excludable from the gross income of the employee, subject to certain limitations. However, such payments may be subject to FICA (Social Security) taxes. In accordance with the requirements of the Code, section 403(b) annuities generally may not permit distribution of (i) elective contributions made in years beginning after December 31, 1988, (ii) earnings on those contributions, and (iii) earnings on amounts attributed to elective contributions held as of the end of the last year beginning before January 1, 1989. Distributions of such amounts will be allowed only upon the death of the employee, on or after attainment of age 59 1/2, severance from employment, disability, or financial hardship, except that income attributable to elective contributions may not be distributed in the case of hardship.

**CORPORATE PENSION, PROFIT SHARING PLANS AND H.R. 10 PLANS.** Sections 401(a) and 403(a) of the Code permit corporate employers to establish various types of retirement plans for employees and self-employed individuals to establish qualified plans for themselves and their employees. Such retirement plans may permit the purchase of the Contracts to accumulate retirement savings. Adverse tax consequences to the plan, the participant or both may result if the Contract is assigned or transferred to any individual as a means to provide benefit payments.

**DEFERRED COMPENSATION PLANS.** Section 457 of the Code, while not actually providing for a qualified plan (as that term is used in the Code), provides for certain deferred compensation plans with respect to service for state governments, local governments, political subdivisions, agencies, instrumentalities and certain affiliates of such entities, and tax exempt organizations. The Contracts can be used with such plans. Under such plans a participant may specify the form of investment in which his or her participation will be made. For non-governmental section 457 plans, all such investments, however, are owned by the sponsoring employer, and are subject to the claims of the general creditors of the sponsoring employer. Depending on the terms of the particular plan, a non-governmental employer may be entitled to draw on deferred amounts for purposes unrelated to its section 457 plan obligations.

#### TAXATION OF JEFFERSON NATIONAL

Jefferson National at present is taxed as a life insurance company under Part I of Subchapter L of the Code. The separate account is treated as part of us and, accordingly, will not be taxed separately as a "regulated investment company" under Subchapter M of the Code. At present, We do not expect to incur any federal income tax liability with respect to investment income and net capital gains arising from the activities of the separate account retained as part of the reserves under the Contract. Based on this expectation, it is anticipated that no charges will be made against the separate account for federal income taxes. If, in future years, any federal income taxes are incurred by us with respect to the separate account, We may make charges to the separate account.

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#### PUBLISHED RATINGS

We may from time to time publish in advertisements, sales literature and reports to owners, the ratings and other information assigned to the Company by one or more independent rating organizations, such as A.M. Best Company, Standard and Poor's Insurance Rating Services, Moody's Investors Service, Inc. and Fitch Ratings. These ratings are opinions of an operating insurance company's financial strength and capacity to meet its obligations to Contract owners. These ratings do not apply to the separate account, its Sub-accounts, the Investment Portfolios or to their performance.

#### ADMINISTRATION

Inviva, Inc. performs administrative services for the Contracts. These services include issuance of the Contracts, maintenance of the records concerning the contracts and certain valuation services.

#### ANNUITY PROVISIONS

The Company makes available several annuity options that can include either fixed or variable payments or a combination of both.

## VARIABLE ANNUITY PAYOUT

A variable annuity is an annuity with payments which: (1) are not predetermined as to dollar amount; and (2) will vary in amount with the net investment results of the applicable investment portfolio. Annuity payments also depend upon the age of the annuitant and any joint annuitant and the assumed interest factor utilized. The Annuity Table used will depend upon the annuity option chosen. The dollar amount of annuity payments after the first is determined as follows:

1. The dollar amount of the first variable annuity payment is divided by the value of an annuity unit for each investment portfolio as of the annuity date. This sets the number of annuity units for each monthly payment for the applicable investment portfolio.
2. The fixed number of annuity units for each payment in each investment portfolio is multiplied by the annuity unit value for that investment portfolio for the last valuation period of the month preceding the month for which the payment is due. This result is the dollar amount of the payment for each applicable investment portfolio.

The total dollar amount of each variable annuity payment is the sum of all variable annuity payments reduced by the applicable portion of the contract maintenance charge.

The calculation of the first annuity payment is made on the annuity date. The Company assesses insurance charges, if any, during both the accumulation phase and the annuity phase. The deduction of the insurance charges, if any, will affect the amount of the first and any subsequent annuity payments. In addition, under certain circumstances, the Company may assess a contingent deferred sales charge and/or the subscription fee or contract maintenance charge on the annuity date, which would affect the amount of the first annuity payment (see "Expenses" and "Annuity Payments" in the prospectus).

## ANNUITY UNIT

The annuity unit value at the end of any subsequent valuation period is determined as follows:

1. The net investment factor for the current valuation period is multiplied by the value of the annuity unit for investment portfolio for the immediately preceding valuation period.
2. The result in (1) is then divided by the assumed investment rate factor, which equals 1.00 plus the assumed investment rate for the number of days since the previous valuation period.

The owner can choose either a 5% or a 3% assumed investment rate.

## FIXED ANNUITY PAYOUT

A fixed annuity is an annuity with payments which are guaranteed as to dollar amount by the Company and do not vary with the investment experience of the investment portfolios. The dollar amount of each fixed annuity payment is determined in accordance with Annuity Tables contained in the Contract.

## DISTRIBUTION

Invisa Securities Corporation, a registered broker-dealer and a member of the National Association of Securities Dealers, Inc. ("Distributor"), acts as the principal underwriter of the Contracts. The Distributor's address is 9920 Corporate Campus Drive, Suite 1000, Louisville, Kentucky 40223. The Distributor is an affiliated person of ours. We offer the Contracts for sale on a continuous basis through the Distributor. No compensation was paid to the Distributor during the last fiscal year.

## FINANCIAL STATEMENTS

The financial statements of the Company included in this Statement of Additional Information should be considered only as bearing upon the ability of the Company to meet its obligations under the Contracts.

Jefferson National Life Insurance Company

Statutory-Basis Financial Statements

Years ended December 31, 2004 and 2003

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors of  
Jefferson National Life Insurance Company

We have audited the accompanying statutory-basis balance sheets of Jefferson National Life Insurance Company as of December 31, 2004 and 2003, and the related statutory-basis statements of operations, changes in capital and surplus and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2 to the financial statements, the Company presents its financial statements in conformity with accounting practices prescribed or permitted by the Texas Department of Insurance, which practices differ from accounting principles generally accepted in the United States. The variances between such practices and accounting principles generally accepted in the United States and the effects on the accompanying financial statements are described in Note 2.

In our opinion, because of the effects of the matter described in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States, the financial position of Jefferson National Life Insurance Company at December 31, 2004 and 2003, or the results of its operations or its cash flows for the years then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jefferson National Life Insurance Company at December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with accounting practices prescribed or permitted by the Texas Department of Insurance.

/s/ Ernst & Young LLP

New York, New York  
March 28, 2005

JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
 STATUTORY-BASIS BALANCE SHEETS  
 DECEMBER 31, 2004 AND 2003  
 (DOLLARS IN THOUSANDS, EXCEPT SHARES DATA)

<TABLE>  
 <CAPTION>

	DECEMBER 31,	
	2004	2003
<S>	<C>	<C>
<b>ASSETS</b>		
Investments and Cash:		
Bonds	\$ 403,705	\$ 571,081
Preferred stocks	25,125	3,345
Mortgage loans on real estate	-	18,222
Policyholder loans	22,332	22,843
Short-term investments	182,060	13,772
Cash	786	7,032
	-----	-----
Total investments and cash	634,008	636,295
Accrued investment income	5,489	6,657
Federal income tax recoverable	-	5,150
Deferred taxes	3,403	3,403
Amounts recoverable on reinsurance ceded	1,291	478
Other admitted assets	4,423	4,969
Separate account assets	1,050,704	1,041,077
	-----	-----
Total assets	\$ 1,699,318	\$ 1,698,029
	=====	=====
<b>LIABILITIES</b>		
Policy and contract reserves	603,646	619,627
Claim reserves	1,111	642
Accounts payable and accrued expenses	5,471	307
Due to parent and affiliates	2,547	2,523
Asset valuation reserve	4,045	3,476
Interest maintenance reserve	5,779	1,400
Transfers from separate accounts	(31,170)	(34,535)
Federal income tax payable	115	-
Other liabilities	5,249	7,987
Separate account liabilities	1,050,704	1,041,077
	-----	-----
Total liabilities	1,647,497	1,642,504
	-----	-----
<b>CAPITAL AND SURPLUS:</b>		
Common stock, \$4.80 par value, 1,065,000 shares		
authorized, 1,043,565 shares issued and outstanding	5,009	5,009
Paid in surplus	8,991	8,991
	-----	-----
Total capital	14,000	14,000
Unassigned surplus	21,560	16,167
Special surplus funds	16,261	25,358
	-----	-----
Total capital and surplus	51,821	55,525
	-----	-----
Total liabilities and capital and surplus	\$ 1,699,318	\$ 1,698,029
	=====	=====

</TABLE>

SEE ACCOMPANYING NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS.

JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
 STATUTORY-BASIS STATEMENTS OF OPERATIONS  
 DECEMBER 31, 2004 AND 2003  
 (DOLLARS IN THOUSANDS)

<TABLE>  
 <CAPTION>

	YEARS ENDED DECEMBER 31,	
	2004	2003
<S>	<C>	<C>
<b>REVENUES</b>		
Premium, annuity and other considerations	\$ 92,457	\$ 135,778
Net investment income	32,775	38,886
Reserve adjustment on reinsurance ceded	-	(1,582)
Commission and expense allowances on reinsurance ceded	16,989	31,338

Amortization of the interest maintenance reserve	1,893	1,813
Fee income	4,761	8,085
Other revenues	14,935	16,033
	-----	-----
Total revenues	163,810	230,351
	-----	-----
BENEFITS AND EXPENSES		
Death and disability benefits	96	-
Annuity and surrender benefits	203,516	525,595
Decrease in policy and contract reserves	(11,800)	(71,212)
Other benefits	4,417	9,704
Commissions	9,191	11,265
General and administrative expenses	26,652	30,533
Taxes, licenses and fees	1,104	3,049
Net transfers from separate accounts	(79,254)	(294,157)
Other expenses	666	3,505
	-----	-----
Total benefits and expenses	154,588	218,282
	-----	-----
Gain from operations before federal income taxes and net realized capital gains (losses)	9,222	12,069
Federal income tax expense	5,805	2,106
	-----	-----
Gain from operations before net realized capital gains (losses)	3,417	9,963
Net realized capital gains (losses), transfers to IMR	2,809	(609)
	-----	-----
Net income	\$ 6,226	\$ 9,354
	=====	=====

</TABLE>

SEE ACCOMPANYING NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
STATUTORY-BASIS STATEMENTS OF CHANGES IN CAPITAL AND SURPLUS  
DECEMBER 31, 2004 AND 2003  
(DOLLARS IN THOUSANDS)

<TABLE>  
<CAPTION>

	YEARS ENDED DECEMBER 31,	
	2004	2003
	-----	-----
<S>	<C>	<C>
CAPITAL AND SURPLUS, BEGINNING OF YEAR	\$ 55,525	\$ 55,192
Adjustment to surplus:		
Net income	6,226	9,354
Change in net unrealized capital gains	19	1,499
Change in deferred income tax	3,289	(373)
Change in non-admitted assets	(3,572)	574
Change in liability for unauthorized reinsurer	-	23
Change in asset valuation reserve	(569)	(2,410)
Paid-in surplus	-	7,500
Change in surplus as a result of reinsurance, net of tax	(9,097)	(15,834)
	-----	-----
Net adjustment to surplus	(3,704)	333
	-----	-----
CAPITAL AND SURPLUS, END OF YEAR	\$ 51,821	\$ 55,525
	=====	=====

</TABLE>

SEE ACCOMPANYING NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
STATUTORY-BASIS STATEMENTS OF CASH FLOW  
DECEMBER 31, 2004 AND 2003  
(DOLLARS IN THOUSANDS)

<TABLE>  
<CAPTION>

	YEARS ENDED DECEMBER 31,	
	2004	2003
	-----	-----
<S>	<C>	<C>
CASH FROM OPERATIONS:		
Premiums collected net of reinsurance	\$ 92,251	\$ 135,780

Net investment income	35,545	45,692
Miscellaneous income	22,092	53,342
	-----	-----
Total income received	149,888	234,814
	-----	-----
Benefit and loss related payments	207,781	554,215
Net transfers from separate accounts	(82,619)	(299,365)
Commissions, expenses paid and aggregate write-ins for deductions	31,549	50,025
Federal and foreign income taxes paid (received)	(4,359)	15,273
	-----	-----
Total operating expenses paid	152,352	320,148
	-----	-----
Net cash from operations	(2,464)	(85,334)
	-----	-----
CASH FROM INVESTMENTS:		
Proceeds from investments sold, matured or repaid:		
Bonds and stocks	317,509	161,613
Mortgage loans	18,266	3,558
Miscellaneous proceeds	198	726
	-----	-----
Total investment proceeds	335,973	165,897
	-----	-----
Cost of investments in bonds and stocks acquired	(164,461)	(133,167)
Net decrease in policy loans	512	146
	-----	-----
Net cash from investment	172,024	32,876
	-----	-----
CASH FROM FINANCING AND MISCELLANEOUS SOURCES:		
Net deposit-type contract fund and other liabilities	(4,179)	(1,783)
Other cash applied	(3,339)	(502)
	-----	-----
Net cash from financing and miscellaneous activities	(7,518)	(2,285)
	-----	-----
Net change in cash and short-term investments	162,042	(54,743)
Cash and short-term investments:		
Beginning of year	20,804	75,547
	-----	-----
End of year	\$ 182,846	\$ 20,804
	=====	=====

</TABLE>

SEE ACCOMPANYING NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS  
DECEMBER 31, 2004 AND 2003  
(DOLLARS IN THOUSANDS, EXCEPT SHARES DATA)

#### 1. ORGANIZATION

Jefferson National Life Insurance Company (the "Company" or "JNL"), is a life insurance company founded in 1937 and domiciled in the State of Texas. The Company markets primarily variable annuities and, beginning in 2004, instant-issue term life products through independent agents. The Company is licensed in all states and the District of Columbia except New York. Approximately 26%, 11% and 11% of premiums collected during 2004 were on policies issued in Texas, Florida, and California, respectively. No other state comprised greater than 5% of premiums collected.

The Company was acquired by JNF Holding Company, Inc ("JNF"), a wholly owned subsidiary of Inviva, Inc. ("Inviva"), a New York based insurance holding company from Conseco Life Insurance Company of Texas ("Conseco Life of Texas"), a life insurance company domiciled in the State of Texas and an indirect wholly-owned subsidiary of Conseco, Inc. ("Conseco"), a publicly-held specialized financial services holding company. As part of the acquisition of JNL by Inviva, Inviva issued 17,500,000 shares of Series D Preferred Stock to Conseco, which have a stated value of \$2.00, a coupon of 19% and are convertible into shares of non-voting common stock of JNF. During 2003, Inviva redeemed 8,290,184 of these shares at the stated value of \$2.00. As of December 31, 2004, Inviva declared and issued accrued dividends through October 15, 2003 of 983,567 shares, at a stated value of \$2.00.

#### 2. BASIS OF PRESENTATION

The statutory-basis financial statements have been prepared on the basis of accounting practices prescribed or permitted by the Texas Department of Insurance (the "Department"). Insurance companies domiciled in Texas are required to prepare statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") ACCOUNTING PRACTICES AND PROCEDURES manual ("NAIC SAP"), subject to certain



modifications prescribed or permitted by the Department ("Texas SAP"). The Department has the right to permit specific practices that deviate from prescribed practices. The Company has no such practices.

Financial statements prepared in accordance with Texas SAP vary from financial statements prepared using accounting principles generally accepted in the United States ("GAAP") primarily because on a statutory basis: 1) costs related to acquiring business, principally commissions and certain policy issue expenses, are charged to income in the year incurred, rather than capitalized; 2) life insurance and annuity reserves are based on statutory mortality and interest requirements, without consideration of withdrawals and company experience, whereas on a GAAP basis they are based on anticipated Company experience for lapses, mortality and investment yield; 3) life insurance enterprises are required to establish a formula-based asset valuation reserve ("AVR") by a direct charge to surplus to offset potential investment losses, under GAAP provisions for investments are established as needed through a charge to income; 4) realized gains and losses resulting from changes in interest rates on fixed income investments are deferred in the Interest Maintenance Reserves and amortized into investment income over the remaining life of the investment sold, for GAAP such gains and losses are recognized in income at the time of the sale; 5) bonds are carried principally at amortized cost, but at fair value for GAAP; 6) deferred tax assets non-admitted are limited and differ from the valuation allowance determined under GAAP and changes in deferred income taxes are not reported as component of net income but, rather as a charge to capital and surplus; 7) assets and liabilities are reported net of reinsurance for statutory purposes and gross of reinsurance for GAAP; 8) premiums from interest sensitive and annuity policies are recognized as income; 9) deferred premium amounts are a function of the premium payment assumptions used in calculating the policy reserves, whereas on a GAAP basis, any deferred benefit premium amounts are netted against the liability for future policy benefits; 10) goodwill and other intangibles are not recognized as admitted assets; 11) certain "non-admitted assets" (principally receivables over 90 days, furniture and fixtures, deferred tax assets, unauthorized reinsurance and prepaid expenses) must be excluded from admitted assets under statutory reporting through a charge to capital and surplus.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
 NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS  
 DECEMBER 31, 2004 AND 2003  
 (DOLLARS IN THOUSANDS)

2. BASIS OF PRESENTATION (CONTINUED)

A reconciliation of net income and capital and surplus of the Company as determined in accordance with statutory accounting practices to amounts determined in accordance with GAAP as of December 31 are as follows:

<TABLE>  
 <CAPTION>

	NET INCOME		CAPITAL AND SURPLUS	
	2004	2003	2004	2003
<S>	<C>	<C>	<C>	<C>
Statutory-basis amounts	\$ 6,226	\$ 9,354	\$ 51,821	\$ 55,525
Add (deduct) adjustments:				
Investments	(6,402)	(4,827)	26,128	16,279
Policy acquisition costs	3,807	812	5,709	2,198
Goodwill and other intangibles	(8,163)	10,503	55,026	72,907
Nonadmitted assets	-	-	369	98
Reserves	1,061	7,306	(40,564)	(53,234)
Deferred taxes	-	-	1,551	3,488
Ceding commissions	(13,997)	(24,361)	-	-
Other	5,279	4,716	(526)	-
GAAP-basis amounts	\$ (12,189)	\$ 3,503	\$ 99,514	\$ 97,261

</TABLE>

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES INVESTMENTS

BONDS - Bonds not in default are generally stated at amortized cost using the interest method or at fair value based on their NAIC rating. All other bonds are stated at the lower of amortized cost or fair value. Mortgage backed securities and structured securities not in default are stated at amortized cost, net of any other than temporary impairment, or the lower of amortized cost or fair value. Mortgage backed securities are adjusted for changes in prepayment assumptions using the retrospective method. The retrospective

method is used to value all securities except for interest only securities or securities where the yield had become negative, these are valued using the prospective method. Prepayment assumptions for loan-backed bonds and structured securities were obtained from the broker at the date of purchase and are updated semi-annual based on market rate. Mortgage-backed and structured securities in default are valued at the lower of amortized cost (net of any other than temporary impairments) or undiscounted estimated future cash flows. Investment market valuations are prescribed by the NAIC. Unrealized gains and losses are recorded directly to unassigned surplus. If it is determined that a decline in fair value is other than temporary, the cost basis is written down and a realized loss is recognized.

PREFERRED STOCK - Redeemable preferred stocks that have characteristics of debt securities and are rated as higher or high quality (NAIC designation of 1 or 2) are reported at cost or amortized cost. All other redeemable preferred stocks are reported at the lower of cost, amortized cost or fair value. Nonredeemable preferred stocks are reported at fair value or lower of cost or fair value as determined by the Securities Valuation Office of the NAIC ("SVO") and the related net unrealized capital gains/(losses) are reported in unassigned surplus along with any adjustment for federal income taxes. If it is determined that a decline in fair value is other than temporary, the cost of preferred stocks is written down and a realized loss is recognized.

REALIZED GAINS AND LOSSES AND INTEREST MAINTENANCE - Realized gains and losses (determined using the specific identification basis), net of applicable taxes, arising from changes in interest rates are accumulated in the IMR and are amortized into net investment income over the estimated remaining life of the investment sold. All other realized gains and losses are reported in the statements of operations.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSET VALUATION RESERVE - An AVR applying to the specific risk characteristics of all invested asset categories excluding cash, policy loans and investment income accrued has been established based on a statutory formula. Realized and unrealized gains and losses arising from changes in the creditworthiness of the borrower are included in the appropriate subcomponent of the AVR. Changes in the AVR are applied directly to unassigned surplus.

INVESTMENT INCOME AND EXPENSES - Net investment income includes interest and dividends received or accrued on investments. Net investment income is reported as earned and is presented net of related investment expenses.

#### SPECIAL SURPLUS FUNDS

Special surplus funds represent the unearned portion of ceding commissions received. Ceding commissions are recognized in income as the profits emerge, net of tax, on the underlying blocks of business.

#### POLICY AND CONTRACT RESERVES

Life, annuity, and accident and health disability benefit reserves are developed by actuarial methods and are determined based on published tables using specified interest rates and valuation methods in accordance with Department regulations.

#### LIFE RESERVES

Reserves for life contracts are primarily mean reserves based on mortality and interest rate assumptions (ranging from 2% to 7%), in accordance with Department regulations.

Premium deficiency reserves, if any, are recorded when it is probable that the expected future cost on policies will exceed the anticipated future premiums and interest income on those policies.

The Company waives the deduction of deferred fractional premiums upon the death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.

#### ANNUITY RESERVES

Reserves for contractual funds not yet used for the purchase of annuities are accumulated at various interest rates, which, during 2004 and 2003, averaged 5.9%, and are deemed sufficient to provide for contractual surrender values for these funds. Reserves for life and disability insurance are based on mortality, morbidity and interest rate assumptions in accordance with Department regulations.

Reserves for annuity contracts in the payout phase are computed on the net single premium method and represent the estimated present value of future retirement benefits. These reserves are based on mortality and interest rate assumptions (ranging from 5.5% to 13.3%), in accordance with Department regulations.

Reserves for Guaranteed Minimum Death Benefit ("GMDB") provided as benefits on annuity contracts are calculated on a seriatim basis using market declines, recovery rates and interest and mortality discounting as specified in Actuarial Guideline 34.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Certain of the Company's variable annuity contracts contain a withdrawal provision that provides for a reduction in the GMDB on a dollar-for-dollar basis when a partial withdrawal occurs. At year-end 2002, there was ambiguity as to the proper interpretation of existing actuarial guidance as it relates to the need to consider certain potential scenarios where most or all of the policyholders take the maximum partial withdrawal under these policies while maintaining a substantial GMDB. In response to this issue, an amendment was made to Actuarial Guideline 34 in late 2003 adding a requirement that the appointed actuary perform a standalone asset adequacy analysis of the total reserve for all contracts subject to this guideline. The Company did perform such an analysis as of year-end 2004, and no additional reserves were required as a result of this analysis.

Transfers from separate accounts represent the difference between the account values held on the separate accounts and the statutory reserves required for these policies using the Commissioner's Valuation Reserve Methodology.

#### REINSURANCE

Reinsurance premiums and benefits paid or provided are accounted for on bases consistent with those used in accounting for the original policies issued and the terms of the reinsurance contracts. A liability for reinsurance balances is provided for unsecured policy reserves ceded to reinsurers not authorized to assume such business. Changes to those amounts are credited or charged directly to unassigned surplus. Policy and contract liabilities ceded to reinsurers have been reported as reductions of the related reserves. Also see Note 7.

#### FEDERAL INCOME TAX

The federal income tax provision (benefit) included in the statements of operations is based on taxes paid or anticipated to be paid or refunds expected to be received.

#### DEFERRED INCOME TAXES

Deferred tax assets are limited to 1) the amount of federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse by the end of the subsequent calendar year, plus 2) the lesser of the remaining gross deferred tax assets expected to be realized within one year of the balance sheet date or 10% of capital and surplus excluding any net deferred tax assets plus 3) the amount of remaining gross deferred tax assets that can be offset against existing gross deferred tax liabilities. The remaining deferred tax assets are non-admitted. Deferred taxes do not include amounts for state taxes.

#### SEPARATE ACCOUNT ASSETS/LIABILITIES

Investments held in the separate accounts are stated at fair value. Participants' corresponding equity in the separate accounts is reported as a liability in the accompanying statements. Premiums and benefits related to the separate accounts are included in the accompanying statements of operations as net transfers to (from) separate accounts. Investment gains (losses) in the separate accounts are offset by a change to the reserve liabilities in the respective separate accounts.

PREMIUMS AND ANNUITY CONSIDERATIONS

Insurance premiums and annuity considerations without mortality risks are recognized as income when due. Annuity considerations with mortality risks are recognized as revenue when received.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FEE INCOME

Fee income consists primarily of income from fees associated with investment management, administration and contract guarantees from separate accounts and is recognized as income when charged to the underlying account.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses are charged to expense as incurred. This includes direct expenses incurred by the Company and expenses allocated by Inviva to the Company.

ESTIMATES

The preparation of financial statements in accordance with Texas SAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from these estimates.

RECLASSIFICATION

Certain 2003 amounts included in the accompanying financial statements have been reclassified to conform to the 2004 presentation.

4. INVESTMENTS

FIXED MATURITIES AND EQUITY SECURITIES

The amortized cost and NAIC market value of investments in fixed maturity securities (bonds and short-term investments) and preferred stock at December 31, 2004 are as follows:

<TABLE>

<CAPTION>

	AMORTIZED COST	GROSS UNREALIZED GAINS	LOSSES	NAIC MARKET VALUE
<S>	<C>	<C>	<C>	<C>
Fixed maturities:				
U.S. treasury	\$ 13,292	\$ 515	\$ (26)	\$ 13,781
States and political subdivisions	12,775	295	(99)	12,971
Foreign governments	636	5	-	641
Corporate bonds	435,461	10,101	(898)	444,664
Mortgage-backed securities:				
U.S. government agencies	95,372	2,490	(56)	97,806
Corporate	28,229	152	(16)	28,365
Subtotal fixed maturity securities	585,765	13,558	(1,095)	598,228
Preferred stock	25,125	701	-	25,826
Total	\$ 610,890	\$ 14,259	\$ (1,095)	\$ 624,054

</TABLE>

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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4. INVESTMENTS (CONTINUED)

The amortized cost and NAIC market value of investments in fixed maturity securities, preferred stock and common stock at December 31, 2003 are as follows:

<TABLE>

<CAPTION>

	AMORTIZED COST	GROSS UNREALIZED GAINS	LOSSES	NAIC MARKET VALUE
<S>	<C>	<C>	<C>	<C>
Fixed maturities:				
U.S. treasury	\$ 10,773	\$ 805	\$ (3)	\$ 11,575
States and political subdivisions	10,277	427	(32)	10,672
Foreign governments	5,343	601	-	5,944
Corporate bonds	293,451	14,742	(2,181)	306,012
Mortgage-backed securities:				
U.S. government agencies	123,659	-	-	123,659
Corporate	141,368	-	-	141,368
Subtotal fixed maturity securities	584,871	16,575	(2,216)	599,230
Preferred stock	3,345	365	-	3,710
Total	\$ 588,216	\$ 16,940	\$ (2,216)	\$ 602,940

</TABLE>

As of December 31, 2004 and 2003, the Company had fixed maturity securities with a statement value of \$11,758 and \$11,794, respectively, on deposit with various state regulatory agencies.

The amortized cost of fixed maturities at December 31, 2004 and 2003 has been reduced by adjustments of \$0 and \$18, respectively, to derive the carrying amount of bonds in the balance sheets (\$585,765 and \$584,853, respectively).

The statement values and NAIC market values of investments in fixed maturity securities by contractual maturity (except for mortgage-backed securities which are stated at expected maturity) at December 31, 2004 are as follows:

	AMORTIZED COST	NAIC MARKET VALUE
	-----	-----
Due in one year or less	\$ 186,210	\$ 186,267
Due after one year through five years	119,799	123,247
Due after five years through ten years	92,286	96,155
Due after ten years	63,869	66,389
Mortgage-backed securities	123,601	126,170
Total	\$ 585,765	\$ 598,228
	=====	=====

Expected maturities may differ from contractual maturities because borrowers may have the right to prepay obligations with or without prepayment penalties.

4. INVESTMENTS (CONTINUED)

Net realized capital gains (losses) consisted of the following:

	2004	2003
	-----	-----
Bonds	\$ 8,485	\$ (584)
Common stocks	-	24
Preferred stock	551	-
Mortgage loans	45	(2)
Cash and short-term investments	-	2
Net realized capital gains (losses)	9,081	(560)
Transfer to IMR, net of tax	(6,272)	(49)
Net realized capital gains (losses), transfer to IMR	\$ 2,809	\$ (609)
	=====	=====

In 2004, net realized capital gains on bonds consisted of \$12,248 gross realized gains and \$3,763 gross realized losses. In 2003, net realized capital losses on bonds consisted of \$4,418 gross realized gains and \$5,002 gross realized losses. For the years ended December 31, 2004 and 2003, proceeds from the sales of fixed maturity securities were \$309,818 and \$161,613, respectively.

There was no write-down for other-than temporary impaired investment during 2004. In 2003, gross realized losses included \$3,303 of write-downs of fixed maturity investments, preferred stocks and other invested assets. These write-downs, which include amounts for securities subsequently sold during the year, were the result of changes in conditions that caused the Company to conclude that a security was other than temporarily impaired.

At December 31, 2004 and 2003, the Company held unrated or less-than-investment grade corporate bonds of \$23,608 and \$49,411 respectively, with an aggregate fair value of \$24,386 and \$48,206, respectively. Those holdings amounted to 4.0% and 8.7% of the Company's investments in bonds at December 31, 2004 and 2003, respectively, and 1.4% and 2.9%, of the Company's total admitted assets at December 31, 2004 and 2003, respectively. The Company performs periodic evaluations of the relative credit standing of the issuers of these bonds.

INVESTMENT INCOME

Net investment income for the years ended December 31, 2004 and 2003, including accrual of discount and amortization of premiums, arose from the following sources:

	2004	2003
	-----	-----
Bonds	\$ 30,791	\$ 36,010
Preferred stocks	624	243
Mortgage loans on real estate	377	1,551
Policy loans	1,377	1,684
Cash and short-term investments	645	460
Miscellaneous investment income	54	24
	-----	-----
Total gross investment income	33,868	39,972
Investment expenses	(1,093)	(1,086)
	-----	-----
Net investment income	\$ 32,775	\$ 38,886
	=====	=====

There was no accrued investment income excluded from surplus during 2004 and 2003.

4. INVESTMENTS (CONTINUED)

MORTGAGE LOANS

On March 26, 2004, the Company sold its credit tenant loans and mortgage loans to Regency Bank for \$53,436 at 102.4% premium to face value.

At December 31, 2003, the mortgage loan balance was comprised primarily of commercial loans. Approximately, 25%, 18% and 17% of the mortgage loan balance was on properties located in Michigan, West Virginia and New York, respectively. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured, guaranteed or purchase money mortgages, was 75%.

During 2003, the respective minimum and maximum lending rates for mortgage loans were approximately 9% and 10% for residential, 7% and 11% for commercial loans, and 10% for purchase money mortgages. At the issuance of a loan, the percentage of any one loan to value of security, exclusive of insured, guaranteed or purchase money mortgages does not exceed 75%. There were no interest payments that were overdue as of December 31, 2003. During 2003, the Company had no impaired mortgage loans.

During 2003, no new mortgage loans were issued and no rates were reduced on existing mortgages.

ANALYSIS OF UNREALIZED LOSSES ON FIXED MATURITY SECURITIES

The Company has a process in place to identify securities that could potentially have an impairment that is other than temporary. This process involves monitoring market events that could impact issuers' credit ratings, business climate, management changes, litigation and government actions, and other similar factors. This process also involves monitoring late payments, downgrades by rating agencies, key financial ratios, financial statements, revenue forecasts and cash flow projections as indicators of credit issues. At the end of each quarter, our investment advisor reviews all securities where market value is less than eighty percent of amortized cost for three months or more to determine whether impairments need to be taken.

The Company considers relevant facts and circumstances in evaluating whether the impairment of a security is other than temporary. Relevant facts and circumstances considered include (1) the length of time the fair value has been below cost; (2) the financial position of the issuer, including the current and future impact of any specific events; and (3) the Company's ability and intent to hold the security to maturity or until it recovers in value. To the extent the Company determines that a security is deemed to be other than temporarily impaired, the difference between amortized cost and fair value would be charged to operations.

There are a number of significant risks and uncertainties inherent in the process of monitoring impairments and determining if an impairment is other than temporary. These risks and uncertainties include (1) the risk that our assessment of an issuer's ability to meet all of its contractual obligations will change based on changes in the credit characteristics of that issuer, (2) the risk that the economic outlook will be worse than expected or have more of an impact on the issuer than anticipated, (3) information, or fraudulent financial statements, could be provided to our investment professionals who determine the fair value estimates and other than temporary impairments, and (4) the risk that new information obtained by us or changes in other facts and circumstances lead us to change our intent to hold the security to maturity or until it recovers in value. Any of these situations could result in a charge to operations in a future period.

JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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4. INVESTMENTS (CONTINUED)

Unrealized losses on fixed maturity securities - by investment age as of December 31, 2004 are as follows:

<TABLE>  
 <CAPTION>

	LESS THAN 12 MONTHS		12 MONTHS OR MORE		TOTAL	
	NAIC MARKET VALUE	UNREALIZED LOSSES	NAIC MARKET VALUE	UNREALIZED LOSSES	NAIC MARKET VALUE	UNREALIZED LOSSES
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Fixed maturities:						
U.S. treasury	\$ 1,565	\$ (26)	\$ -	\$ -	\$ 1,565	\$ (26)
States and political subdivisions	-	-	5,418	(99)	5,418	(99)
Corporate bonds	29,591	(263)	9,448	(635)	39,039	(898)
Mortgage-backed securities:						
U.S. government agencies	4,405	(38)	237	(18)	4,642	(56)
Corporate	10,525	(16)	-	-	10,525	(16)
Total debt securities	\$ 46,086	\$ (343)	\$ 15,103	\$ (752)	\$ 61,189	\$ (1,095)

</TABLE>

Unrealized losses on fixed maturity securities - by investment age as of December 31, 2003 are as follows:

<TABLE>  
 <CAPTION>

	LESS THAN 12 MONTHS		12 MONTHS OR MORE		TOTAL	
	NAIC MARKET	UNREALIZED	NAIC MARKET	UNREALIZED	NAIC MARKET	UNREALIZED



	VALUE	LOSSES	VALUE	LOSSES	VALUE	LOSSES
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Fixed maturities:						
U.S. treasury States and political subdivisions	\$ 553	\$ (3)	\$ -	\$ -	\$ 553	\$ (3)
Corporate bonds	-	-	1,475	(32)	1,475	(32)
	32,675	(775)	9,951	(1,406)	42,626	(2,181)
Total debt securities	\$ 33,228	\$ (778)	\$ 11,426	\$ (1,438)	\$ 44,654	\$ (2,216)

</TABLE>

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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5. POLICY AND CLAIM RESERVES

As of December 31, 2004 and 2003, the Company had \$3,323,037 and \$3,527,948, respectively of individual and group life insurance in force. On \$183,345 and \$312,206 of insurance in force as of December 31, 2004 and 2003, respectively, gross premiums were less than the net premiums according to the standard valuation set by the Department. The deficiency reserves to cover such insurance in force totaled \$1,093 and \$1,000 at December 31, 2004 and 2003, respectively.

Substantially all of the separate account business of JNL relates to individual variable annuities with non-guaranteed returns. However, JNL also has guaranteed separate accounts that are subject to a market value adjustment with one, three and five year options. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative.

GUARANTEED MINIMUM INCOME BENEFIT ("GMIB") - Riders available on certain variable products of the Company provide an annuitization benefit equal to the largest contract value on any contract anniversary less any adjusted (proportional) partial withdrawals.

GUARANTEED MINIMUM WITHDRAWAL BENEFIT ("GMWB") - Riders available on certain variable products of the Company provide a withdrawal benefit that permits the policyholder to withdraw up to 7% of his premium base annually without incurring a surrender charge, after either a 2-year or 5-year waiting period from issue, and subject to a lifetime maximum of the total premium base.

GUARANTEED MINIMUM DEATH BENEFIT ("GMDB") - These variable annuities generally provide an incidental death benefit of the greater of account value or premiums paid net of withdrawals. On some policy forms, the Company also provides an incidental death benefit equal to the greater of account value and premiums net of withdrawals accumulated at 5% ("5% roll-up benefit"), the greatest account value on any contract anniversary ("1 year ratchet") and on the account value reset every 7th anniversary ("7 year lookback").

At December 31, 2004, the Company had the following with guaranteed benefits:

BENEFIT AND TYPE OF RISK	SUBJECTED ACCOUNT VALUE	GROSS RESERVE	REINSURANCE RESERVE CREDIT
GMDB	\$ 951,989	\$ 26,739	\$ 17,182
GMIB	6,731	43	39
GMWB	2,182	4	-

At December 31, 2003 the Company had the following with guaranteed benefits:

BENEFIT AND TYPE OF RISK	SUBJECTED ACCOUNT VALUE	GROSS RESERVE	REINSURANCE RESERVE CREDIT
GMDB	\$ 946,294	\$ 31,890	\$ 17,685
GMIB	3,863	11	11

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5. POLICY AND CLAIM RESERVES (CONTINUED)

The following table provides information on the GMD features outstanding at December 31, 2004 and 2003. (Note that the Company's variable contracts with guarantees may offer more than one type of guarantee in each contract; therefore the amounts listed are not mutually exclusive.). The net amount of risk is defined as the current guaranteed minimum death benefit in excess of the current account balance at December 31 are as follows:

	2004	2003
	IN THE EVENT OF DEATH	
<S>	<C>	<C>
Return of net deposit		
Account value	\$ 425,883	\$ 401,983
Net amount at risk	52,185	69,897
Average attained age of contractholders	50	49
Return of net deposits plus a minimum return		
Account value	\$ 509,881	\$ 528,490
Net amount at risk	244,706	283,687
Average attained age of contractholders	56	56
Guaranteed minimum return	5%	5%
Highest specified anniversary account value minus		
Withdrawals post anniversary		
Account value	\$ 16,225	\$ 15,821
Net amount at risk	2,603	3,313
Average attained age of contractholders	58	57

GMIB feature offers the contract holder for annuitization at greater of annual ratchet value and then-current account value. Annuitization is prohibited for the first 7 to 15 contract years, with the exact restriction depending on the annuitant's age at issue. The separate account values are \$6,731 and \$3,863, respectively, at December 31, 2004 and 2003.

GMWB features offer the contract holder annual withdrawal of set percentage of net contributions without incurring surrender charge, until the full amount of the net contribution is exhausted. Depending on which rider is purchased, annuitants are restricted from taking such withdrawals for either two or five years. There is a one-time option to step-up the amount of the withdrawal basis.

Separate account balances attributable to variable annuity contracts with guarantees at December 31, are as follow:

	2004	2003
<S>	<C>	<C>
Asset type		
Domestic equity	\$ 607,734	\$ 607,428
International equity	47,401	34,041
Bonds	91,111	105,966
Balanced bond/equity	40,098	39,645
Total	786,344	787,080
Money market	60,300	61,084
Total	\$ 846,644	\$ 848,164
Percent of total variable annuity separate account values	80.6%	81.5%

5. POLICY AND CLAIM RESERVES (CONTINUED)

At December 31, 2004, annuity reserves and deposit fund liabilities that are

subject to discretionary withdrawal (with adjustment), subject to  
discretionary withdrawal (without adjustment), and not subject to  
discretionary withdrawal provisions are summarized as follows:

<TABLE>  
<CAPTION>

	2004	
	AMOUNT	% OF TOTAL
<S>	<C>	<C>
A. Subject to discretionary withdrawal:		
1. With market value adjustment	\$ 1,019,092	63.0%
2. At book value less current surrender charge of 5% or more	104,983	6.5%
3. At fair value	-	0.0%
4. Total with adjustment or at fair value	1,124,075	69.5%
5. At book value without adjustment (minimal or no charge or adjustment)	433,326	26.8%
B. Not subject to discretionary withdrawal	60,578	3.7%
C. Total (gross:direct + assumed)	1,617,979	100.0%
D. Reinsurance ceded	5,718	-
E. Total (net)* (C)-(D)	1,612,261	100.0%

</TABLE>

#### 6. FAIR VALUES OF FINANCIAL INSTRUMENTS

The estimated fair values of financial instruments have been determined by using available market information and the valuation methodologies described below. Considerable judgment is often required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented herein may not necessarily be indicative of amounts that could be realized in a current market exchange. The use of different assumptions or valuation methodologies may have a material effect on the estimated fair value amounts.

Amounts related to the Company's financial instruments as of December 31, 2004 are as follows:

	CARRYING VALUE	FAIR VALUE
Bonds	\$ 403,705	\$ 416,168
Preferred stocks	25,125	25,826
Cash and short-term investments	182,846	182,846
Policy loans	22,332	22,332
LIABILITIES		
Policy and contract reserves	\$ 603,646	\$ 594,584

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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#### 6. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Amounts related to the Company's financial instruments as of December 31, 2003 are as follows:

	CARRYING VALUE	FAIR VALUE
Bonds	\$ 571,081	\$ 599,230
Preferred stocks	3,345	3,710
Cash and short-term investments	20,804	20,804
Policy loans	22,843	22,843
Mortgage loans on real estate	18,222	18,265
LIABILITIES		
Policy and contract reserves	\$ 619,627	\$ 602,062

BONDS AND EQUITY SECURITIES - Fair value for bonds is determined by reference to market prices quoted by the NAIC. If quoted market prices are not available, fair value is determined using quoted prices for similar securities. Market value for equity securities is determined by reference to valuations quoted by the NAIC.

CASH AND SHORT-TERM INVESTMENTS - The carrying value for cash and short-term investments approximates fair values due to the short-term maturities of these instruments.

POLICY LOANS - The majority of policy loans are issued with variable interest rates which are periodically adjusted based on changes in rates credited to the underlying policies and therefore are considered to be stated at fair value.

MORTGAGE LOANS ON REAL ESTATE - Estimated fair values were determined by discounting expected cash flows based on interest rates currently being offered for similar loans to borrowers with similar credit ratings. Loans with similar characteristics were aggregated in the calculations.

POLICY AND CONTRACT RESERVES - Contractual funds not yet used to purchase retirement annuities and other deposit liabilities are stated at their cash surrender value. These contracts are issued with variable interest rates that are periodically adjusted based on changes in underlying economic conditions.

The fair values of other policyholder liabilities were calculated using the company's cash flow testing projections under the level scenario. In determining fair value of liabilities, benefits and expenses less premiums under the level scenario were discounted at the pre-tax net investment earnings rates implicit in the models.

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7. REINSURANCE

In 2002, the Company reinsured 100% of its life and accident and health business to Protective and Washington National Insurance Company ("WNIC"). The total reserves transferred under these agreements were \$409,267 and \$431,558, respectively, as of year end 2004 and 2003. As part of these transactions, the Company also transferred the related IMR balance and received ceding commissions. The gains on these transactions were recorded as an increase to surplus, as special surplus funds, net of tax. Protective and WNIC provide for full servicing of these policies.

In the normal course of business, the Company seeks to limit its exposure to loss on any single insured and to recover a portion of benefits paid by ceding business to reinsurers. These reinsurance agreements provide for reinsurance of selected individual life policies and group life and group health contracts. The Company retains the primary obligation to the policyholder for reinsured policies. Failure of reinsurers to honor their obligations could result in losses to the Company; consequently, the Company evaluates the financial condition of its reinsurers in order to minimize its exposure to losses from reinsurer insolvencies.

The Company has reinsured a majority of the GMDB exposure to several reinsurers. The most significant arrangement cedes approximately \$15,509 and \$17,459 of its \$20,945 and \$31,889, respectively, GMDB reserves to Connecticut General Life Insurance Company, a subsidiary of CIGNA Corporation as of year end 2004 and 2003.

Neither Inviva nor any of its related parties control or are affiliated with, directly or indirectly, any reinsurers with whom the Company conducts business, except for ACE Reinsurance ("ACE"). JNL has a reinsurance agreement with ACE Tempest Life Reinsurance Ltd., whose parent, ACE owns approximately 20% of Inviva, Inc. This agreement was entered into by JNL prior to its acquisition by Inviva. Total ceded reserves under this agreement at December 31, 2004 and 2003 were approximately (\$158) and (\$175), respectively.

No policies issued by the Company have been reinsured with a foreign company, which is controlled, either directly or indirectly, by a party not primarily engaged in the business of insurance. At December 31, 2004 and 2003, there is no reinsurance agreement in effect such that the amount of losses paid or accrued exceeds the total direct premium collected.

Amounts in the financial statements have been reduced for reinsurance ceded on life, annuity and accident and health policies as follows:

	2004	2003
	-----	-----
Premiums, annuity and fund deposits	\$ 42,389	\$ 50,680
Policyholder benefits	44,362	59,201
Change in insurance and annuity reserves	(26,892)	(53,658)
Policy and contract reserves	463,491	490,383

In 2004 and 2003, the Company did not enter into any new agreements that reinsure policies or contracts that were in-force or had existing reserves as of the effective date of such agreements.

There was no liability for unsecured reserves ceded to unauthorized reinsurers during 2004 and 2003. During 2004 and 2003, the Company did not write off any reinsurance balances due and did not report any income or expense as a result of commutation of reinsurance.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS  
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7. REINSURANCE (CONTINUED)

The premium, annuity and other consideration amounts included in the Statements of Operations, for the years ended December 31, were comprised of the following (not including considerations for supplementary contracts with life contingencies of \$336 and \$250 as of December 31, 2004 and 2003, respectively):

	2004	2003
	-----	-----
SHORT DURATION CONTRACTS		
Direct premiums	\$ 10,351	\$ 12,763
Reinsurance ceded	10,351	12,763
	-----	-----
Premiums	\$ -	\$ -
	=====	=====
LONG DURATION CONTRACTS		
Direct premiums	\$ 124,159	\$ 173,445
Reinsurance ceded	32,038	37,917
	-----	-----
Premiums	\$ 92,121	\$ 135,528
	=====	=====

The Company has no reinsurance agreements which the reinsurer may unilaterally cancel the agreement for reasons other than for nonpayment of premium or other similar credits.

8. COMMITMENTS AND CONTINGENCIES

Various lawsuits against the Company may arise in the ordinary course of the Company's business. Contingent liabilities arising from ordinary course litigation, income taxes and other matters are not expected to be material in relation to the financial position of the Company. The purchase agreement between Inviva and Conseco contained a provision that the Company would be indemnified from Conseco Life of Texas for all cases known as of the acquisition and for certain other matters.

On August 9, 2004, the Company and Inviva, of which the Company is an indirect wholly-owned subsidiary, without admitting or denying any wrongdoing, settled an administrative proceeding with the Securities and Exchange Commission ("SEC") regarding disclosure of "market timing" arrangements involving its products. The market timing arrangements were in place when Inviva acquired the Company in October 2002 and were terminated in October 2003. Under the terms of the settlement, a \$5,000 pool, \$1,500 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, the Company 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 the Company or Inviva to make any additional payments.

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JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
NOTES TO STATUTORY-BASIS FINANCIAL STATEMENTS

8. COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Company has established a liability for guaranty fund assessments on several insolvencies of \$400, as of December 31, 2004 and 2003. This represents estimated obligations to state guaranty funds to provide for covered claims and other insurance obligations of insolvent insurers. The period over which the assessments are anticipated to be funded varies by insolvency and is difficult to predict. As of December 31, 2004 and 2003, the Company has estimated probable recoveries through premium tax credits of \$398 and \$485, respectively. The period over which the credits are realized varies by state but typically range from five to ten years.

9. FEDERAL INCOME TAXES

Current income taxes incurred for the year ended December 31, consist of the following major components:

	2004	2003
Current income tax expense on operating income	\$ -	\$ (792)
Prior year over accrual of tax	906	(5,628)
Ceding commission	4,899	8,526
Current income taxes incurred	\$ 5,805	\$ 2,106

As of December 31, 2004, the Company had a balance of \$11 in its policyholder surplus account under the provisions of the Internal Revenue Code. The amount could become taxable to the extent that the future shareholder dividends are paid from this account.

Components of the deferred tax assets ("DTA") and deferred tax liabilities ("DTL") as of December 31, are as follows:

	2004	2003
Gross deferred tax asset	\$ 37,369	\$ 34,027
Gross deferred tax liabilities	-	7
Sub-Total	37,369	34,020
Nonadmitted deferred tax assets	33,965	30,617
Net deferred tax asset	3,404	3,403
(Increase) decrease in non-admitted gross deferred tax asset	\$ (3,348)	\$ 390

9. FEDERAL INCOME TAXES (CONTINUED)

The main components and the change in deferred tax assets and deferred tax liabilities for the year ended December 31, are as follows:

<TABLE>  
<CAPTION>

DTAS RESULTING FROM BOOK/TAX DIFFERENCES IN	2004	2003	CHANGE
<S>	<C>	<C>	<C>
Net operating loss carryforwards	\$ 2,477	\$ 2,355	\$ 122
Capital loss carryforward	12,919	14,401	(1,482)
Insurance reserves	4,959	1,536	3,423
Section 807 (f) reserve basis change	12,199	-	12,199
Proxy DAC	4,469	2,954	1,515
Investments	(257)	11,646	(11,903)
Other	602	1,135	(533)
Gross DTAs	37,368	34,027	3,341
Nonadmitted DTAs	33,965	30,617	3,348

DTLS RESULTING FROM BOOK/TAX DIFFERENCES IN	2004	2003	CHANGE
Investment income	-	-	-
Other	-	7	(7)
Gross DTLs	\$ -	\$ 7	\$ (7)
Net admitted deferred tax assets	\$ 3,403	\$ 3,403	\$ -

</TABLE>

The significant books to tax differences in 2004 are as follows:

	100%	35%
Statutory income before taxes	\$ 9,221	\$ 3,227
Net realized capital gains	9,037	3,163
Total pre-tax statutory income	18,258	6,390
SEC fines and penalties portion of settlement	1,500	525
Reinsurance ceding commission	(13,997)	(4,899)
True up/down deferred tax asset	(13,527)	(4,734)
IMR	(1,893)	(663)
Other	94	33
Total adjustments	(27,823)	(9,738)
Taxable loss from operations	\$ (9,565)	\$ (3,348)
Federal statutory income taxes		\$ -
Change in net deferred income tax		(3,348)
Total statutory income tax		\$ (3,348)

As of December 31, 2004, the Company had operating loss carryforwards of approximately \$7,100, which begin to expire in 2018. As of December 31, 2004, the Company had capital loss carryforwards of approximately \$36,900, which begin to expire in 2007.

The Company files a separate life insurance company federal income tax return.

JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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10. RELATED PARTY TRANSACTIONS

The Company has a service agreement with Inviva, Inc, which covers certain general and administrative expenses and taxes, licenses and fees. During 2004 and 2003, operating expenses of \$19,119 and \$26,491, respectively, were charged to the Company and are reflected in the accompanying statements of operations. The terms of the agreement require that these amounts be charged at least quarterly and settled within 30 days. Included in the 2003 operating expenses that Inviva charged JNL are \$13,295 of non-recurring expenses related to the transition of JNL's operations to Inviva.

Effective May 2003, the Company entered into two servicing agreements with its affiliate, Inviva Securities, Inc. The Paymaster Agreement stipulates that the Company will pay all commissions associated with the issuance of variable contracts through Inviva Securities, Inc. and the Company agrees to reimburse Inviva Securities, Inc. for all variable commissions paid. The Distribution Agreement stipulates that Inviva Securities, Inc. agrees to be the distributor of variable contracts for the Company and the Company agrees that it will reimburse the costs it incurs to distribute these contracts. The total amount reimbursed in 2004 and 2003 under these agreements was \$5,821 and \$3,304, respectively.

40/86 Mortgage Advisors (formerly known as Conseco Mortgage Capital, Inc) provided origination and servicing for the Company's mortgage loans, for which expenses totaled \$42 and \$128 in 2004 and 2003, respectively. This agreement was terminated in March 2004.

The Company has not made any guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

During 2004 and 2003, the Company did not own any common shares of an



upstream intermediate or ultimate parent, either directly or indirectly via a downstream subsidiary, controlled or affiliated company.

The Company had four types of agreements with Conseco affiliates during 2002. All except the agreement with 40/86 Mortgage advisors were terminated during 2003. Conseco Services, LLC provided certain administrative services to the Company at 110% of direct and directly allocable costs plus a reasonable charge for direct overhead. 40/86 Investment Advisor (formerly known as Conseco Capital Management, Inc and Conseco Securities, Inc.) provided administrative services in connection with the Company's variable products and provided investment accounting services and managed the Company's investments. Expense incurred under these agreements totaled \$2,574 in 2003.

JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
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11. SEPARATE ACCOUNTS

Separate account assets and related policy liabilities represent the segregation of funds deposited by variable annuity policyholders. Policyholders bear the investment performance risk associated with these annuities. Separate account assets are invested at the direction of the policyholders, primarily in mutual funds. Separate account assets are reported at fair value based primarily on quoted market prices.

Substantially all separate account liabilities are non-guaranteed. However, the Company also has guaranteed separate accounts that are subject to a market value adjustment with one, three and five year options. Information regarding the separate accounts of the Company as of and for the years ended December 31, are as follows:

<TABLE>  
 <CAPTION>

	2004		2003	
	SEPARATE ACCOUNTS WITH GUARANTEES NON- INDEXED	NON- GUARANTEED SEPARATE ACCOUNTS	SEPARATE ACCOUNTS WITH GUARANTEES NON- INDEXED	NON- GUARANTEED SEPARATE ACCOUNTS
<S>	<C>	<C>	<C>	<C>
Premiums, deposits and other considerations	\$ -	\$ 64,379	\$ 179	\$ 120,884
For accounts with assets at:				
Market value	\$ 1,406	\$ 1,018,128	\$ 1,509	\$ 1,005,033
Reserves for separate accounts by withdrawal characteristics:				
Subject to discretionary withdrawal:				
With market value adjustment	\$ 1,406	\$ -	\$ 1,509	\$ -
At market value	-	1,014,927	-	1,001,746
Subtotal	1,406	1,014,927	1,509	1,001,746
Not subject to discretionary withdrawal	-	3,201	-	3,287
Total separate account liabilities	\$ 1,406	\$ 1,018,128	\$ 1,509	\$ 1,005,033

</TABLE>

Amounts transferred to and from non-guaranteed separate accounts in the Statements of Operations of the Separate Accounts and the general account for the years ended December 31, are as follows:

	2004	2003
Transfers to Separate Accounts	\$ 64,467	\$ 118,853
Transfers from Separate Accounts	143,721	413,010
Net transfers from Separate Accounts	(79,254)	(294,157)

12. EMPLOYEE BENEFITS

The Company provides certain life insurance and health care benefits for a limited number of currently retired employees who worked for the Company prior to Inviva, Inc's acquisition in 2002. These benefits are generally set at fixed amounts. All retirees in this plan are fully vested. The liability for these plans was \$726 and \$628 at December 31, 2004 and 2003, respectively, and included in general expenses due and accrued. The expenses for these plans was \$98 and (\$35) at December 31, 2004 and 2003, respectively.

13. CAPITAL AND SURPLUS

The maximum amount of dividends which can be paid by State of Texas life insurance companies to shareholders without prior approval of the Commissioner is the greater of statutory net gain from operations before realized capital gains or losses for the preceding year or 10% of statutory surplus as regards policyholders at the end of the preceding year. Statutory net gain from operations before realized capital gains or losses for 2004 was \$3,416. Statutory surplus as regards policyholders as of December 31, 2004 was \$51,821. The maximum dividend payout which may be made without prior approval in 2004 is \$5,182.

As allowed by the Texas Department of Insurance, effective with the filing of its' 2003 annual statement, the Company has restated its' surplus account balances to reflect an unassigned surplus balance as of December 31, 2002 of \$0, a \$32,038 increase from the balance filed on its' 2002 audited financial statements. This increase is offset by a corresponding adjustment to paid-in-surplus. The effect of those adjustments does not change total capital and surplus but better reflects the ongoing results of the Company subsequent to its acquisition by Inviva in 2002.

Life and health insurance companies are subject to certain Risk-Based Capital ("RBC") requirements as specified by the NAIC. Under those requirements, the amount of capital and surplus maintained by a life and health insurance company is to be determined based on the various risk factors related to it. At December 31, 2004 and 2003, respectively, the Company meets its RBC requirements.

14. SUBSEQUENT EVENTS

The Company entered into a reinsurance agreement effective January 1, 2005, whereby it ceded 30% of its reserves on select variable annuity contracts. The reinsurance on the fixed account portion of these contracts is on a coinsurance basis. The reinsurance on the separate account portion of these contracts is on a modified coinsurance basis. In January 2005, the Company transferred reserves of approximately \$54,600, under the coinsurance portion of the contract, to the reinsurer and received a ceding commission of approximately \$500.

PART C  
OTHER INFORMATION

ITEM 24. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements

The financial statements of Jefferson National Life Insurance Company at December 31, 2004 and 2003, and for the years in the period then ended are included in Part B of the Registration Statement.

(b) Exhibits

(1) (a)	Resolution of Board of Directors of the Company authorizing the establishment of the Separate Account.	(2)
(b)	Resolution Changing the Name of the Separate Account	(1)
(2)	Not Applicable.	
(3) (a) (i)	Form of Principal Underwriter's Agreement of the Company on behalf of the Separate Account and Inviva Securities Corporation.	(1)
(ii)	Form of Amendment to Principal Underwriter's Agreement	(1)
(b)	Form of Selling Agreement	(1)
(4) (a)	Form of Individual Contract Fixed and Variable Accounts. (22-4056)	(1)
(b)	Form of Group Contract.	(2)
(c)	Form of Group Certificate.	(2)
(d)	Form of Endorsement Amending MVA Provision	(1)
(e)	Form of IRA Endorsement	(1)
(f)	Form of Roth IRA Endorsement	(1)
(g)	Form of JSA Endorsement	(1)
(h)	Form of Individual Contract Fixed and Variable Accounts. (JNL-2300)	(11)
(i)	Form of Electronic Administration Endorsement (JNL-4020)	(11)
(5) (a)	Form of Application for Individual Annuity Contract. (JNL-6000)	(1)
(b)	Form of JNL Individual Application. (JNL-6005)	(11)
(6) (a)	Amended and Restated Articles of Incorporation of Conseco Variable Insurance Company.	(1)
(b)	Amended and Restated By-Laws of the Company.	(1)
(7)	Not Applicable.	
(8) (a)	Form of Participation Agreement dated October 23, 2002 with Conseco Series Trust and Conseco Equity Sales, Inc. and amendments thereto dated September 10, 2003 and February 1, 2001.	(1)
(b) (i)	Form of Participation Agreement by and among A I M Distributors, Inc., Jefferson National Life Insurance Company, on behalf of itself and its separate accounts, and Inviva Securities Corporation dated May 1, 2003.	(3)
(ii)	Form of Amendment dated April 6, 2004 to the Participation Agreement by and among A I M Distributors, Inc., Jefferson National Life Insurance Company, on behalf of itself and its separate accounts, and Inviva Securities Corporation dated May 1, 2003.	(1)
(c) (i)	Form of Participation Agreement among the Alger American Fund, Great American Reserve Insurance Company and Fred Alger and Company, Inc. dated March 31, 1995.	(4)
(ii)	Form of Amendment dated November 5, 1999 to the Participation Agreement among the Alger American Fund, Great American Reserve Insurance Company and Fred Alger and Company, Inc. dated March 31, 1995.	(5)
(iii)	Form of Amendment dated January 31, 2001 to the Participation Agreement among the Alger American Fund, Great American Reserve Insurance Company and Fred Alger and Company, Inc. dated March 31, 1995.	(5)
(iv)	Form of Amendments August 4, 2003 and March 22, 2004 to	(1)

the Participation Agreement among the Alger American Fund, Great American Reserve Insurance Company and Fred Alger and Company, Inc. dated March 31, 1995.

- (d) (i) Form of Participation Agreement between Great American Reserve Insurance Company and American Century Investment Services as of 1997. (4)
- (ii) Form of Amendment dated November 15, 1997 to the Participation Agreement between Great American Reserve Insurance Company and American Century Investment Services as of 1997. (5)
- (iii) Form of Amendment dated December 31, 1997 to the Participation Agreement between Great American Reserve Insurance Company and American Century Investment Services as of 1997. (5)
- (iv) Form of Amendment dated January 13, 2000 to the Participation Agreement between Great American Reserve Insurance Company and American Century Investment Services as of 1997. (5)
- (v) Form of Amendment dated February 9, 2001 to the Participation Agreement between Great American Reserve Insurance Company and American Century Investment Services as of 1997. (5)
- (vi) Form of Amendments dated July 31, 2003 and March 25, 2004 to the Participation Agreement between Great American Reserve Insurance Company and American Century Investment Services as of 1997. (1)
- (vii) Form of Amendments dated May 1, 2005 to the Participation Agreement between Jefferson National Life Insurance Company and American Century Investment Services as of 1997. (10)
- (e) (i) Form of Participation Agreement dated May 1, 1995 by and among Conseco Variable Insurance Company, Dreyfus Variable Investment Fund, The Dreyfus Socially Responsible Growth Fund, Inc., Dreyfus Life and Annuity Index Fund, Inc. and Dreyfus Investment Portfolios. (5)
- (ii) Form of Amendment dated March 21, 2002 to the Participation Agreement dated May 1, 1995 by and among Conseco Variable Insurance Company, Dreyfus Variable Investment Fund, The Dreyfus Socially Responsible Growth Fund, Inc., Dreyfus Life and Annuity Index Fund, Inc. and Dreyfus Investment Portfolios. (5)
- (iii) Form of Amendment dated May 1, 2003 to the Participation Agreement dated May 1, 1995 by and among Conseco Variable Insurance Company, Dreyfus Variable Investment Fund, The Dreyfus Socially Responsible Growth Fund, Inc., Dreyfus Life and Annuity Index Fund, Inc. and Dreyfus Investment Portfolios. (1)
- (iv) Form of Amendment dated 2004 to the Participation Agreement dated May 1, 1995 by and among Conseco Variable Insurance Company, Dreyfus Variable Investment Fund, The Dreyfus Socially Responsible Growth Fund, Inc., Dreyfus Life and Annuity Index Fund, Inc. and Dreyfus Investment Portfolios. (1)
- (v) Form of Amendment dated May 1, 2005 to the Participation Agreement dated May 1, 1995 by and among Jefferson National Life Insurance Company, Dreyfus Variable Investment Fund, The Dreyfus Socially Responsible Growth Fund, Inc., Dreyfus Life and Annuity Index Fund, Inc. and Dreyfus Investment Portfolios. (10)
- (f) (i) Form of Participation Agreement dated March 6, 1995 by and among Great American Reserve Insurance Company and Insurance Management Series, Federated Securities Corp. (4)

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- (ii) Form of Amendment dated 1999 to the Participation Agreement dated March 6, 1995 by and among Conseco Variable Insurance Company, Federated Insurance Series and Federated Securities Corp. (5)

- (iii) Form of Amendment dated January 31, 2001 to the Participation Agreement dated March 6, 1995 by and among Conseco Variable Insurance Company, Federated Insurance Series and Federated Securities Corp. (5)
- (iv) Form of Amendment dated 2004 to the Participation Agreement dated March 6, 1995 by and among Conseco Variable Insurance Company, Federated Insurance Series and Federated Securities Corp. (1)
- (g) (i) Form of Participation Agreement by and among First American Insurance Portfolios, Inc., First American Asset Management and Conseco Variable Insurance Company dated 2001. (6)
- (ii) Form of Amendment dated April 25, 2001 to the Participation Agreement by and among First American Insurance Portfolios, Inc., First American Asset Management and Conseco Variable Insurance Company dated 2001. (5)
- (iii) Form of Amendment dated May 1, 2003 to the Participation Agreement by and among First American Insurance Portfolios, Inc., First American Asset Management and Conseco Variable Insurance Company dated 2001. (1)
- (h) (i) Form of Participation Agreement among Janus Aspen Series and Jefferson National Life Insurance Company dated May 1, 2003 and Form of Amendment dated July 2003 thereto. (1)
- (ii) Form of Amendment dated May 1, 2005 to the Participation Agreement among Janus Aspen Series and Jefferson National Life Insurance Company dated May 1, 2003 and Form of Amendment dated July 2003 thereto. (10)
- (i) (i) Form of Participation Agreement among Lazard Retirement Series, Inc., Lazard Asset Management, LLC, Inviva Securities Corporation and Jefferson National Life Insurance Company dated May 1, 2003. (1)
- (ii) Form of Amendment dated March 21, 2004 to the Participation Agreement among Lazard Retirement Series, Inc., Lazard Asset Management, LLC, Inviva Securities Corporation and Jefferson National Life Insurance Company dated May 1, 2003. (1)
- (j) (i) Form of Participation Agreement dated April 10, 1997 by and among Lord, Abnett & Co. and Great American Reserve Insurance Company. (4)
- (ii) Form of Amendment dated December 1, 2001 to the Participation Agreement dated April 10, 1997 by and among Lord, Abnett & Co. and Great American Reserve Insurance Company. (7)
- (iii) Form of Amendment dated May 1, 2003 to the Participation Agreement dated April 10, 1997 by and among Lord, Abnett & Co. and Great American Reserve Insurance Company. (1)
- (k) (i) Form of Participation Agreement dated April 30, 1997 by and among Neuberger&Berman Advisers Management Trust, Advisers Managers Trust, Neuberger&Berman Management Incorporated and Great American Reserve Insurance Company. (5)
- (ii) Form of Amendment dated May 1, 2000 to the Participation Agreement dated April 30, 1997 by and among Neuberger Berman Advisers Management Trust, Advisers Managers Trust, Neuberger Berman Management Incorporated and Conseco Variable Insurance Company. (5)
- (iii) Form of Amendment dated January 31, 2001 to the Participation Agreement dated April 30, 1997 by and among Neuberger&Berman Advisers Management Trust, Advisers Managers Trust, Neuberger&Berman Management Incorporated and Conseco Variable Insurance Company. (5)
- (iv) Form of Amendment dated May 1, 2004 to the Participation Agreement dated April 30, 1997 by and among Neuberger Berman Advisers Management Trust, Neuberger Berman Management Incorporated and Jefferson National Life Insurance Company. (8)
- (v) Form of Amendment dated April 4, 2004 to the Participation Agreement dated April 30, 1997 by and among Neuberger Berman Advisers Management Trust, Neuberger Berman Management Incorporated and Jefferson National Life Insurance Company. (1)

- (vi) Form of Amendment dated May 1, 2005 to the Participation Agreement dated April 30, 1997 by and among Neuberger Berman Advisers Management Trust, Neuberger Berman Management Incorporated and Jefferson National Life Insurance Company. (10)
- (1) (i) Form of Participation Agreement dated May 1, 2003 by and among PIMCO Variable Insurance Trust, PIMCO Funds Distributors LLC and Jefferson National Life Insurance Company and amended dated April 13, 2004 thereto. (1)
- (ii) Form of Amendment dated May 1, 2005 to the Participation Agreement dated May 1, 2003 by and among PIMCO Variable Insurance Trust, PIMCO Funds Distributors LLC and Jefferson National Life Insurance Company. (10)
- (m) (i) Form of Participation Agreement dated May 1, 2003 among Pioneer Variable Contract Trust, Jefferson National Life Insurance Company, Pioneer Investment Management, Inc. and Pioneer Funds Distributor, Inc. (1)
- (ii) Form of amendment to Participation Agreement dated May 1, 2003 among Pioneer Variable Contract Trust, Jefferson National Life Insurance Company, Pioneer Investment Management, Inc. and Pioneer Funds Distributor, Inc. (10)
- (n) Form of Participation Agreement dated May 1, 2003 by and among Royce Capital Fund, Royce & Associates, LLC and Jefferson National Life Insurance Company and Inviva Securities Corporation and Form of Amendment dated April 5, 2004 thereto. (1)
- (o) (i) Form of Participation Agreement dated March 24, 2000 by and among Conseco Variable Insurance Company, RYDEX Variable Trust and PADCO Financial Services, Inc. (9)
- (ii) Form of Amendment dated April 13, 2004 to the Form of Participation Agreement dated March 24, 2000 by and among Conseco Variable Insurance Company, RYDEX Variable Trust and PADCO Financial Services, Inc. (1)
- (iii) Form of Amendment dated May 1, 2005 to the Form of Participation Agreement dated March 24, 2000 by and among Jefferson National Life Insurance Company, RYDEX Variable Trust and PADCO Financial Services, Inc. (10)
- (p) (i) Form of Participation Agreement dated April 2004 between Jefferson National Life Insurance Company and Citigroup Global Markets Inc. (1)
- (ii) Form of Amendment dated May 1, 2005 to Form of Participation Agreement dated April 2004 between Jefferson National Life Insurance Company and Citigroup Global Markets Inc. (10)
- (q) (i) Form of Participation Agreement dated May 1, 2000 by and among Seligman Portfolios, Inc., Seligman Advisors, Inc. and Conseco Variable Insurance Company. (6)
- (ii) Form of Amendment dated January 31, 2001 to the Participation Agreement dated May 1, 2000 by and among Seligman Portfolios, Inc., Seligman Advisors, Inc. and Conseco Variable Insurance Company. (5)
- (iii) Form of Amendment dated August 5, 2003 to the Participation Agreement dated May 1, 2000 by and among Seligman Portfolios, Inc., Seligman Advisors, Inc. and Conseco Variable Insurance Company. (1)
- (iv) Form of Amendment dated 2004 to the Participation Agreement dated May 1, 2000 by and among Seligman Portfolios, Inc., Seligman Advisors, Inc. and Conseco Variable Insurance Company. (1)
- (r) (i) Form of Participation Agreement dated April 30, 1997 by and among Great American Reserve Insurance Company, Strong Variable Insurance Funds, Inc., Strong Special Fund II, Inc, Strong Capital Management, Inc. and Strong Funds Distributors, Inc. (5)

- (ii) Form of Amendment dated December 11, 1997 to Participation Agreement dated April 30, 1997 by and among Great American Reserve Insurance Company, Strong Variable Insurance Funds, Inc., Strong Opportunity Funds II, Inc., Strong Capital Management, Inc. and Strong Funds Distributors, Inc. (5)
- (iii) Form of Amendment dated December 14, 1999 to Participation Agreement dated April 30, 1997 by and among Conseco Variable Insurance Company, Strong Variable Insurance Funds, Inc., Strong Opportunity Fund II, Inc., Strong Capital Management, Inc. and Strong Investments, Inc. (5)
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- (iv) Form of Amendment dated March 1, 2001 to Participation Agreement dated April 30, 1997 by and among Conseco Variable Insurance Company, Strong Variable Insurance Funds, Inc., Strong Opportunity Fund II, Inc., Strong Capital Management, Inc. and Strong Investments, Inc. (5)
- (v) Form of Amendments dated December 2, 2003 and April 5, 2004 to Participation Agreement dated April 30, 1997 by and among Conseco Variable Insurance Company, Strong Variable Insurance Funds, Inc., Strong Opportunity Fund II, Inc., Strong Capital Management, Inc. and Strong Investments, Inc. (1)
- (s) (i) Form of Participation Agreement dated May 1, 2003 with by and among Third Avenue Management LLC and Jefferson National Life Insurance Company. (8)
- (ii) Form of Amendment dated April 6, 2004 to the Participation Agreement dated May 1, 2003 with by and among Third Avenue Management LLC and Jefferson National Life Insurance Company. (1)
- (t) (i) Form of Participation Agreement dated February 29, 2000 by and among Conseco Variable Insurance Company, Van Eck Worldwide Insurance Trust and Van Eck Associates Corporation. (5)
- (ii) Form of Amendment dated January 31, 2001 to Participation Agreement dated February 29, 2000 by and among Conseco Variable Insurance Company, Van Eck Worldwide Insurance Trust and Van Eck Associates Corporation. (5)
- (iii) Form of Amendment dated January 31, 2001 to Participation Agreement dated February 29, 2000 by and among Conseco Variable Insurance Company, Van Eck Worldwide Insurance Trust and Van Eck Associates Corporation. (5)
- (iv) Form of Amendment dated May 1, 2003 to Participation Agreement dated March 1, 1995 by and among Van Eck Worldwide Insurance Trust, Van Eck Associates Corporation and Jefferson National Life Insurance Company. (8)
- (u) (i) Form of Participation Agreement between Jefferson National Life Insurance Company, Bisys Fund Services LP, Choice Investment Management Variable Insurance funds dated May 1, 2003. (1)
- (ii) Form of Amendment dated 2004 to the Participation Agreement between Jefferson National Life Insurance Company, Bisys Fund Services LP, Choice Investment Management Variable Insurance funds dated May 1, 2003. (1)
- (v) (i) Form of Participation Agreement between Jefferson National Life Insurance Company, Wells Fargo Funds Distributor, LLC and Wells Fargo Variable Trust dated April 8, 2005. (10)
- (w) (i) Form of Participation Agreement between Jefferson National Life Insurance Company, Rafferty Asset Management, LLC and Potomac Insurance Trust dated May 1, 2005. (10)
- (9) Opinion and Consent of Counsel. (10)
- (10) Consent of Independent Registered Public Accounting Firm. (10)

- (11) Financial Statements omitted from Item 23 above. N/A
- (12) Initial Capitalization Agreement. N/A
- (13) (a) (i) Powers of Attorney. (1)
- (ii) Powers of Attorney-for Laurence Greenberg (11)

(1) Incorporated herein by reference to Post-Effective Amendment No. 12 to the Registration Statement for Jefferson National Life Annuity Account G (File Nos. 333-00373 and 811-07501) filed electronically on Form N-4 on April 30, 2004 (Accession Number 0000912057-04-000471).

(2) Incorporated herein by reference to initial Registration Statement for Jefferson National Life Annuity Account G (File Nos. 333-00373 and 811-07501) filed electronically on Form N-4 on January 23, 1996 (Accession Number 0000928389-96-000012).

(3) Incorporated herein by reference to Post-Effective Amendment Nos. 6 and 7 to the Registration Statement for Jefferson National Life Annuity Account I (File Nos. 333-53836 and 811-10213) filed electronically on Form N-4 on May 1, 2003 (Accession Number 0001047469-03-016215).

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(4) Incorporated herein by reference to Pre-Effective Amendment Nos. 1 and 1 to the Registration Statement for Jefferson National Life Annuity Account F (File Nos. 333-40309 and 811-08483) filed electronically on Form N-4 on February 3, 1998 (Accession Number 0000928389-98-000014).

(5) Incorporated herein by reference to Post-Effective Amendment Nos. 13 and 13 to the Registration Statement for Jefferson National Life Annuity Account E (File Nos. 033-74092 and 811-08288) filed electronically on Form N-4 on June 24, 2002 (Accession Number 0000930413-02-002084).

(6) Incorporated herein by reference to Post-Effective Amendment Nos. 21 and 29 to the Registration Statement for Jefferson National Life Annuity Account C (File Nos. 033-02460 and 811-04819) filed electronically on Form N-4 on May 1, 2001 (Accession Number 000092839-01-500130).

(7) Incorporated herein by reference to Post-Effective Amendment Nos. 9 and 10 to the Registration Statement for Jefferson National Life Annuity Account G (File Nos. 333-00373 and 811-07501) filed electronically on Form N-4 on June 24, 2002 (Accession Number 0000930413-02-002085).

(8) Incorporated herein by reference to Post-Effective Amendment Nos. 24 and 35 to the Registration Statement for Jefferson National Life Annuity Account C (File Nos. 033-0246 and 811-04819) filed electronically on Form N-4 on May 1, 2003 (Accession Number 0001047469-03-016209).

(9) Incorporated herein by reference to Post-Effective Amendment Nos. 1 and 2 to the Registration Statement for Jefferson National Life Annuity Account H (File Nos. 333-90737 and 811-09693) filed electronically on Form N-4 on April 28, 2000 (Accession Number 0000928389-00-000130).

(10) Filed Herewith.

(11) Incorporated herein by reference to the initial Registration Statement for Jefferson National Life Annuity Account G (File Nos. 333-124048 and 811-07501) filed electronically on Form N-4 on April 13, 2005 (Accession Number 0000930413-05-002595).

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ITEM 25. DIRECTORS AND OFFICERS OF THE DEPOSITOR

The officers and directors of Jefferson National Life Insurance Company are listed below. Their principal business address is 435 Hudson Street, 2nd Floor, New York, NY 10014, unless otherwise noted.

NAME POSITIONS AND OFFICES WITH DEPOSITOR



David A Smilow	Director, Chairman of the Board
Tracey Hecht Smilow	Director
Laurence P. Greenberg	Director, Chief Executive Officer and President
Timothy D. Rogers	Chief Financial Officer and Treasurer
Craig A. Hawley (1)	General Counsel and Secretary
Todd P. Solash	Director - Risk Management
Christopher J. Tosney (1)	Director--Administration
William J. Findlay	Controller
Gregory B. Goulding	Valuation Actuary
Alan Downey	Pricing Actuary
Jeff Fritsche	Tax Director
Eric J. Solash	Director - Mergers & Acquisitions
Dean C. Kehler (2)	Director
Thomas W. Leaton (3)	Director

(1) The business address of this officer is 9920 Corporate Campus Drive, Suite 1000, Louisville, KY 40223.

(2) The business address of this director is 425 Lexington Avenue, New York 10017.

(3) The business address of this director is 305 Roosevelt Ct NE, Vienna, VA 22180.

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ITEM 26. PERSONS CONTROLLED BY OR UNDER COMMON CONTROL WITH THE DEPOSITOR OR REGISTRANT

The following information concerns those companies that may be deemed to be controlled by or under common control with Jefferson National Life Insurance Company, the Depositor.

EXHIBIT A  
ORGANIZATIONAL CHART

-----  
SMILOW & HECHT SMILOW  
AND FAMILY MEMBERS (1)  
-----

|  
| 100%  
|

INVIVA, L.L.C. (CA)	INVIVA, INC. MANAGEMENT AND EMPLOYEES (2)	SERIES A PREFERRED STOCK (3)	SERIES B PREFERRED STOCK (4)	SERIES C PREFERRED STOCK (5)	SERIES D PREFERRED STOCK (6)
84%	16%				

-----  
INVIVA, INC.  
(DE)  
-----

|  
|  
|  
|  
|  
|  
|

<TABLE>  
<CAPTION>

100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
<S> LIFCO HOLDING COMPANY, INC. (DE)	<C> INVIVA SECURITIES CORPORATION (DE)	<C> JNF HOLDING COMPANY, INC. (DE)	<C> INVIVA STATUTORY TRUST I (DE) (7)	<C> INVIVA STATUTORY TRUST III (CT) (7)	<C> INVIVA STATUTORY TRUST IV (DE) (7)	<C> INVIVA STATUTORY TRUST V (DE) (7)	<C> INVIVA STATUTORY TRUST VI (DE) (7)	<C> INVIVA INSURANCE AGENCY (DE)	<C> INVIVA STATUTORY TRUST VII (DE) (7)

</TABLE>

-----  
THE AMERICAN LIFE INSURANCE COMPANY OF  
NEW YORK (NY)  
-----

-----  
JEFFERSON NATIONAL LIFE INSURANCE  
COMPANY (TX)  
-----

- (1) David Smilow and Tracey Hecht Smilow are married and have 100% voting control of Inviva, LLC. Inviva, LLC votes as an entity, and by virtue of their 83.6% ownership, Smilow and Hecht Smilow control the vote of Inviva, LLC. Interest ownership: Smilow and Hecht Smilow - 51.6%, D. Aaron LLC - 32%, Kenneth G. Hecht, Jr. and Elizabeth W. Hecht (Tracey Hecht Smilow's parents) - 16%, and Jonas and Elizabeth B. Schlumbom (Tracey Hecht Smilow's brother-in-law and sister) - 0.4%. Interest ownership in D. Aaron LLC: David Smilow - 50%, each of his three (3) minor children - 16 2/3%. Smilow and Hecht Smilow, through their ownership of Inviva, LLC, control six (6) of the ten (10) Board (as defined below) seats. Smilow and Hecht Smilow also own, either directly, or indirectly: (a) a minority position in an automobile dealership; (b) a minority position in a real estate company; (c) a 50% interest in a real estate company; and (d) 100% of an entertainment company.
- (2) No member of management or employee individually, directly or beneficially, owns more than 10% of the issued and outstanding shares of common stock. Smilow and Hecht Smilow are not included in this group.
- (3) The Series A Preferred Stock is comprised of Series A and Series A-2 convertible preferred both of which are non-voting. The majority of the Series A and all of the Series A-2 is held by Inviva, LLC. The Series A Preferred elects one of the current ten (10) members of the Inviva, Inc. board of directors (the "Board"). Both the Series A and Series A-2 are fully convertible at any time to common stock with full voting rights, subject to prior regulatory approval, if applicable.
- (4) The Series B Preferred Stock (the "Series B") is non-voting. There are three (3) Series B shareholders. Each of such Series B shareholders has the right to appoint one member to the Board. Accordingly, three (3) of the current ten (10) members of the Board are appointed by the Series B shareholders. The Series B is fully convertible at any time to common stock with full voting rights, subject to prior regulatory approval.
- (5) The Series C Preferred Stock (the "Series C") is non-voting. The Series C is fully convertible at any time to common stock with full voting rights, subject to prior regulatory approval. The Series C elects one of the current ten (10) members of the Board. The owner of the Series C also owns Series B. As such, in aggregate, it is entitled to elect two (2) of the current ten (10) members of the Board.
- (6) The Series D Preferred Stock (the "Series D") is non-voting. The Series D is exchangeable into shares of non-voting common stock of JNF Holding company, Inc., subject to prior regulatory approval.
- (7) Each of these statutory trusts was created in order to consummate Inviva's participation in a pooled private placement offering of Trust Preferred Securities. Inviva, Inc. owns, in each case, all of the common stock of the trust.

#### ITEM 27. NUMBER OF CONTRACT OWNERS

As of March 23, 2005, the number of The Monument contracts funded by Jefferson National Life Annuity Account G was 115 of which 65 were qualified contracts and 50 were non-qualified contracts.

#### ITEM 28. INDEMNIFICATION

The Bylaws (Article VI) of the Company provide, in part, that: The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (collectively, "Agent") against expenses (including attorneys' fees), judgments, fines, penalties, court costs and amounts paid in settlement actually

and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement (whether with or without court approval), conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Agent did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. If several claims, issues or matters are involved, an Agent may be entitled to indemnification as to some matters even though he is not entitled as to other matters. Any director or officer of the Corporation serving in any capacity of another corporation, of which a majority of the shares entitled to vote in the election of its directors is held, directly or indirectly, by the Corporation, shall be deemed to be doing so at the request of the Corporation.

Insofar as indemnification for liability arising under the Securities Act of 1933 may be permitted directors and officers or controlling persons of the Company pursuant to the foregoing, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

ITEM 29. PRINCIPAL UNDERWRITERS

(a) Inviva Securities Corporation is the principal underwriter for the following investment companies (other than the Registrant):

- Jefferson National Life Annuity Account C
- Jefferson National Life Annuity Account E
- Jefferson National Life Annuity Account F
- Jefferson National Life Annuity Account H
- Jefferson National Life Annuity Account I
- Jefferson National Life Annuity Account J
- Jefferson National Life Annuity Account K

(b) Inviva Securities Corporation ("ISC") is the principal underwriter for the Contracts. The following persons are the officers and directors of ISC. The principal business address for each officer and director of ISC is 9920 Corporate Campus Drive, Suite 1000, Louisville, KY 40223, unless otherwise indicated.

NAME	POSITIONS AND OFFICES
Craig A. Hawley	President, General Counsel and Secretary
Robert B. Jefferson*	Director*
Edward J. O'Brien, IV	Chief Financial Officer

\* The principal business address for Robert Jefferson is ACE INA Holdings, Two Liberty Place, 1601 Chestnut Street, TL56C, Philadelphia, PA 19103.

(c) ISC retains no compensation or commissions from the registrant.

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<TABLE> <CAPTION> <S>	<C>	<C>	<C>	<C>
NAME OF PRINCIPAL UNDERWRITER	NET UNDERWRITING DISCOUNTS AND COMMISSIONS	COMPENSATION ON REDEMPTION OR ANNUITIZATION	BROKERAGE COMMISSIONS	COMPENSATION
Inviva Securities Corporation	None	None	None	None

</TABLE>

ITEM 30. LOCATION OF ACCOUNTS AND RECORDS

Each account, book, or other document required to be maintained by Section 31(a) of the Investment Company Act of 1940 and the rules thereunder is maintained by

ITEM 31. MANAGEMENT SERVICES

Not Applicable.

ITEM 32. UNDERTAKINGS

(a) Registrant hereby undertakes to file a post-effective amendment to this registration statement as frequently as is necessary to ensure that the audited financial statements in the registration statement are never more than sixteen (16) months old for so long as payment under the variable annuity contracts may be accepted.

(b) Registrant hereby undertakes to include either (1) as part of any application to purchase a contract offered by the Prospectus, a space that an applicant can check to request a Statement of Additional Information, or (2) a postcard or similar written communication affixed to or included in the Prospectus that the applicant can remove to send for a Statement of Additional Information.

(c) Registrant hereby undertakes to deliver any Statement of Additional Information and any financial statement required to be made available under this Form promptly upon written or oral request.

ITEM 33. REPRESENTATIONS

(A) Jefferson National Life Insurance Company (the "Company") hereby represents that the fees and charges deducted under the contracts described in the Prospectus, in the aggregate, are reasonable in relation to the services rendered, the expenses to be incurred and the risks assumed by the Company.

(B) The Securities and Exchange Commission (the "SEC") issued to the American Council of Life Insurance an industry wide no-action letter dated November 28, 1988, stating that the SEC would not recommend any enforcement action if registered separate accounts funding tax-sheltered annuity contracts restrict distributions to plan participants in accordance with the requirements of Section 403(b)(11), provided certain conditions and requirements were met. Among these conditions and requirements, any registered separate account relying on the no-action position of the SEC must:

(1) Include appropriate disclosure regarding the redemption restrictions imposed by Section 403(b)(11) in each registration statement, including the prospectus, used in connection with the offer of the contract;

(2) Include appropriate disclosure regarding the redemption restrictions imposed by Section 403(b)(11) in any sales literature used in connection with the offer in the contract;

(3) Instruct sales representatives who solicit participants to purchase the contract specifically to bring the redemption restrictions imposed by Section 403(b)(11) to the attention of the potential participants; and

(4) Obtain from each plan participant who purchases a Section 403(b) annuity contract, prior to or at the time of such purchase, a signed statement acknowledging the participant's understanding of (i) the restrictions on redemption imposed by Section 403(b)(11), and (ii) the investment alternatives available under the employer's Section 403(b) arrangement, to which the participant may elect to transfer his contract value.

The Registrant is relying on the no-action letter. Accordingly, the provisions of paragraphs (1) - (4) above have been complied with.

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SIGNATURES

As required by the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant certifies it has caused this initial Registration Statement under the Securities Act of 1933 and Amendment No. 15 to the Registration Statement under the Investment Company Act of 1940 to be signed on its behalf, in the City of Louisville, and the Commonwealth of Kentucky, on this 2nd day of May 2005.

JEFFERSON NATIONAL LIFE ANNUITY ACCOUNT G  
(Registrant)

JEFFERSON NATIONAL LIFE INSURANCE COMPANY

(Depositor)

By: /s/ Laurence P. Greenberg\*  
Name: Laurence P. Greenberg  
Title: CHIEF EXECUTIVE OFFICER

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ David A. Smilow* Name: David Smilow	Chairman of the Board	5/02/05
/s/ Tracey Hecht Smilow* Name: Tracey Hecht Smilow	Director	5/02/05
/s/ Laurence P. Greenberg Name: Laurence Greenberg	Director, Chief Executive Officer and President	5/02/05
/s/ Timothy D. Rogers* Name: Timothy D. Rogers	Chief Financial Officer and Treasurer	5/02/05
/s/ William J. Findlay* Name: William J. Findlay	Controller	5/02/05
/s/ Dean C. Kehler* Name: Dean C. Kehler	Director	5/02/05
/s/ Thomas W. Leaton* Name: Thomas Leaton	Director	5/02/05
/s/ Craig A. Hawley* Name: Craig A. Hawley Attorney in Fact		5/02/05

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EXHIBIT INDEX

- (9) Opinion and Consent of Counsel.
- (10) Consent of Independent Registered Public Accounting Firm.
- (8) (d) (vii) Form of Amendment dated May 1, 2005 to the Participation Agreement between Jefferson National Life Insurance Company and American Century Investment Services as of 1997.
- (e) (v) Form of Amendment dated May 1, 2005 to the Participation Agreement dated May 1, 1995 by and among Jefferson National Life Insurance Company, Dreyfus Variable Investment Fund, The Dreyfus Socially Responsible Growth Fund, Inc., Dreyfus Life and Annuity Index Fund, Inc. and Dreyfus Investment Portfolios.
- (h) (ii) Form of Amendment dated May 1, 2005 to the Participation Agreement Janus Aspen Series and Jefferson National Life Insurance Company dated May 1, 2003.
- (k) (vi) Form of Amendment dated May 1, 2005 to the Participation Agreement dated April 30, 1997 by and among Neuberger Berman Advisers Management Trust, Neuberger Berman Management Incorporated and Jefferson National Life Insurance Company.
- (l) (ii) Form of Amendment dated May 1, 2005 to the Participation Agreement dated May 1, 2003 by and among PIMCO Variable Insurance Trust, PIMCO Advisors Distributors LLC and Jefferson National Life Insurance Company.
- (m) (ii) Form of Amendment to Participation Agreement dated May 1, 2003 among Pioneer Variable Contract Trust, Jefferson National Life Insurance Company, Pioneer Investment Management, Inc. and

Pioneer Funds Distributor, Inc.

- (o) (iii) Form of Amendment dated May 1, 2005 to the Form of Participation Agreement dated March 24, 2000 by and among Jefferson Life Insurance Company, RYDEX Variable Trust and PADCO Financial Services, Inc.
- (p) (ii) Form of Amendment dated May 1, 2005 to Form of Participation Agreement dated April 2004 between Jefferson National Life Insurance Company and Citigroup Global Markets Inc.
- (v) (i) Form of Participation Agreement between Jefferson National Life Insurance Company, Wells Fargo Funds Distributor, LLC and Wells Fargo Variable Trust dated April 8, 2005.
- (w) (i) Form of Participation Agreement between Jefferson National Life Insurance Company, Rafferty Asset Management, LLC and Potomac Insurance Trust dated May 1, 2005.

AMENDMENT TO FUND PARTICIPATION AGREEMENT  
(SERVICE SHARES)

This Amendment to the Fund Participation Agreement ("Agreement") dated February 1, 2001, as amended, among Janus Aspen Series, an open-end management investment company organized as a Delaware business trust (the "Trust"), Janus Distributors LLC, a Delaware limited liability company (the "Distributor"), and Jefferson National Life Insurance Company (successor-in-interest to Conseco Variable Insurance Company), a Texas life insurance company (the "Company"), is effective as of \_\_\_\_\_.

AMENDMENT

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree to amend the Agreement as follows:

1. Schedule A of this Agreement shall be deleted and replaced with the attached Schedule A.

2. All other terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused their duly authorized officers to execute this Amendment as of the date and year first above written.

JEFFERSON NATIONAL LIFE  
INSURANCE COMPANY

JANUS DISTRIBUTORS LLC

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Bonnie M. Howe  
Vice President

JANUS ASPEN SERIES

By: \_\_\_\_\_  
Bonnie M. Howe  
Vice President

SCHEDULE A

-----

SEPARATE ACCOUNTS AND ASSOCIATED CONTRACTS

-----

NAME OF SEPARATE ACCOUNT

-----

CONTRACTS FUNDED BY SEPARATE ACCOUNT

-----

Jefferson National Life Account L

CVIC-1001

Jefferson National Life Annuity Account G

22-4056; JNL-2300

Jefferson National Life Annuity Account I

CVIC-2004

CVIC-2005



May 2, 2005

Board of Directors  
Jefferson National Life Insurance Company  
435 Hudson Street, 2nd Floor  
New York, NY 10014

Dear Sirs and Mesdames:

Referring to this Registration Statement on behalf of Jefferson National Life Annuity Account G (the "Account") and the Registration Statement on Form N-4 (File Nos. 333-124048 and 811-07501) effective approximately May 1, 2005 (the "Registration Statements") on behalf of Jefferson National Life Annuity Account G and having examined and being familiar with the Articles of Incorporation and By-Laws of Jefferson National Life Insurance Company ("Jefferson National"), the applicable resolutions relating to the Account and other pertinent records and documents, I am of the opinion that:

1. Jefferson National is a duly organized and existing stock life insurance company under the laws of the State of Texas;
2. the Account is a duly organized and existing separate account of Jefferson National ;
3. the annuity contracts being registered by the Registration Statements will, upon sale thereof, be legally issued, fully paid and nonassessable, and, to the extent that they are construed to constitute debt securities, will be binding obligations of Jefferson National, except as enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting the rights of creditors generally.

I am licensed to practice only in the State of Kentucky, and the foregoing opinions are limited to the laws of the State of Kentucky, the general opinions are limited to the laws of the State of Kentucky, the general corporate law of the State of Texas and federal law. I hereby consent to the filing of this opinion with the Securities and Exchange Commission in connection with the Registration Statements on Form N-4 of the Account.

Very truly yours,

/S/ CRAIG A. HAWLEY

-----  
Craig A. Hawley  
General Counsel & Secretary

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the reference to our firm under the caption "Independent Registered Public Accounting Firm" included in the Registration Statement on Form N-4 (No. 333-124048 and 811-07501) and the related Prospectus of Jefferson National Life Annuity Account G dated May 1, 2005.

We also consent to the use of our report dated March 28, 2005 with respect to the statutory-basis financial statements of Jefferson National Life Insurance Company included in this Registration Statement. Such report expresses our opinion that Jefferson National Life Insurance Company's statutory-basis financial statements present fairly, in all material respects, the financial position of Jefferson National Life Insurance Company at December 31, 2004 and 2003, and the results of its operations and cash flows for the years then ended in conformity with statutory accounting practices prescribed or permitted by the Texas State Insurance Department and not in conformity with accounting principles generally accepted in the United States.

/s/ Ernst & Young LLP  
New York, New York  
April 29, 2005

FORM OF PARTICIPATION AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_ day of \_\_\_\_\_, 2005 by and between WELLS FARGO VARIABLE TRUST, an unincorporated business trust formed under the laws of Delaware (the "Trust"), WELLS FARGO FUNDS DISTRIBUTOR, LLC, a Delaware limited liability company (the "Distributor"), and \_\_\_\_\_ LIFE INSURANCE COMPANY, a \_\_\_\_\_ life insurance company (the "Company"), on its own behalf and on behalf of each separate account of the Company identified herein.

WHEREAS, the Trust engages in business as an open-end, diversified management investment company offering shares of beneficial interest (the "Trust shares") consisting of one or more separate series ("Series") of shares, each such Series representing an interest in a particular investment portfolio of securities and other assets (a "Fund"), and which Series may be subdivided into various classes ("Classes") with each such Class supporting a distinct charge and expense arrangement; and

WHEREAS, the Trust was established for the purpose of serving as an investment vehicle for insurance company separate accounts supporting variable annuity contracts and variable life insurance policies offered by insurance companies and may also be utilized by qualified retirement plans; and

WHEREAS, an order of the Securities and Exchange Commission dated September 28, 1998, (File No. 812-11158) grants certain separate accounts supporting variable life insurance policies, their life insurance company depositors, and their principal underwriters, exemptions from Sections 9(a), 13(a), 15(a) and 15(b) of the Investment Company Act of 1940, and from Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder, to the extent necessary for such separate accounts to purchase and hold Trust shares at the same time that such shares are sold to or held by separate accounts of affiliated and unaffiliated insurance companies supporting either variable annuity contracts or variable life insurance policies, or both, or by qualified pension and retirement plans (the "SEC Order"); and

WHEREAS, the Distributor has the exclusive right to distribute Trust shares to qualifying investors; and

WHEREAS, the Company desires that the Trust serve as an investment vehicle for a certain separate account(s) of the Company and the Distributor desires to sell shares of certain Series and/or Class(es) to such separate account(s);

NOW, THEREFORE, in consideration of their mutual promises, the Trust, the Distributor and the Company agree as follows:

ARTICLE I  
ADDITIONAL DEFINITIONS

1.1. "Accounts" -- the separate accounts of the Company described more specifically in Schedules 1, 2 and 3 to this Agreement.

1.2. "Business Day"--each day that the Trust is open for business as provided in the Trust's Prospectus.

1.3. "Code"--the Internal Revenue Code of 1986, as amended, and any successor thereto.

1.4. "Contracts"--the class or classes of variable annuity contracts and/or variable life insurance policies issued by the Company and described more specifically on Schedules 1, 2, or 3 to this Agreement.

1.5. "Contract Owners"--the owners of the Contracts, as distinguished

from all Product Owners.

1.6. "Participating Account"--a separate account investing all or a portion of its assets in Trust shares, including the Accounts.

1.7. "Participating Insurance Company"--any insurance company with a Participating Account, including the Company.

1.8. "Participating Plan"--any qualified retirement plan investing directly in the Trust.

1.9. "Participating Investor"--any Participating Account, Participating Insurance Company or Participating Plan, including the Accounts and the Company.

1.10. "Products"--variable annuity contracts and variable life insurance policies supported by Participating Accounts, including the Contracts.

1.11. "Product Owners"--owners of Products, including Contract Owners.

1.12. "Trust Board"--the board of trustees of the Trust.

1.13. "Registration Statement"--with respect to the Trust shares or a class of Schedule 1 Contracts, the registration statement filed with the SEC to register such securities under the 1933 Act, or the most recently filed amendment thereto, in either case in the form in which it was declared or became effective. The Contracts' Registration Statement for each class of Contracts is described more specifically on Schedule 1 to this Agreement. The Trust's Registration Statement is filed on Form N-1A (File No. 333-74283).

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1.14. "1940 Act Registration Statement"--with respect to the Trust or the Schedule 1 Accounts, the registration statement filed with the SEC to register such person as an investment company under the 1940 Act, or the most recently filed amendment thereto. The Schedule 1 Accounts' 1940 Act Registration Statements are described more specifically on Schedule 1 to this Agreement. The Trust's 1940 Act Registration Statement is filed on Form N-1A (File No. 811-09255).

1.15. "Prospectus"--with respect to shares of a Series (or Class) of Trust shares or a class of Schedule 1 Contracts, each version of the definitive prospectus or supplement thereto filed with the SEC pursuant to Rule 497 under the 1933 Act. Unless indicated to the contrary, the term "Prospectus" in this Agreement shall include any private placement memorandum or other similar disclosure document used in connection with the offer or sale of Schedule 2 or Schedule 3 Contracts. With respect to any provision of this Agreement requiring a party to take action in accordance with a Prospectus, such reference thereto shall be deemed to be to the version for the applicable Series, Class or class of Schedule 1 Contracts last so filed prior to the taking of such action. For purposes of Article IX, the term "Prospectus" shall include any statement of additional information incorporated therein.

1.16. "Schedule 1 Accounts"--Accounts registered under the 1940 Act as a unit investment trust and listed on Schedule 1.

1.17. "Schedule 2 Accounts"--Accounts excluded from the definition of an investment company as provided for by Section 3(c)(11) of the 1940 Act and listed on Schedule 2.

1.18. "Schedule 3 Accounts"--Accounts excluded from the definition of an investment company as provided for by Section 3(c)(1) or Section 3(c)(7) of the 1940 Act and listed on Schedule 3.

1.19. "Schedule 1 Contracts"--Contracts through which interests in Schedule 1 Accounts are offered and issued, which interests are registered as securities under the 1933 Act.

1.20. "Schedule 2 Contracts"--Contracts through which interests in Schedule 2 Accounts are offered and issued to trustees of qualified pension and profit-sharing plans and certain government plans identified in Section 3(a)(2) of the 1933 Act.

1.21. "Schedule 3 Contracts"--Contracts through which interests in Schedule 3 Accounts are offered and issued to "accredited investors", as that term is defined in Regulation D under the 1933 Act, or other investors permitted by Regulation D.

1.22. "Statement of Additional Information"--with respect to the shares of the Trust or a class of Schedule 1 Contracts, each version of the definitive statement of additional information or supplement thereto filed with the SEC pursuant to Rule 497 under the 1933 Act. With respect to any provision of this Agreement requiring a party to take action in accordance with a Statement of Additional Information, such reference thereto shall be deemed to be the last version so filed prior to the taking of such action.

3

1.23. "SEC"--the Securities and Exchange Commission.

1.24. "NASD"--The National Association of Securities Dealers, Inc.

1.25. "1933 Act"--the Securities Exchange Act of 1933, as amended.

1.26. "1940 Act"--the Investment Company Act of 1940, as amended.

## ARTICLE II SALE OF TRUST SHARES

### 2.1. AVAILABILITY OF SHARES

(a) The Trust has granted to the Distributor exclusive authority to distribute the Trust shares and to select which Series or Classes of Trust shares shall be made available to Participating Investors. Pursuant to such authority, and subject to Article X hereof, the Distributor shall make available to the Company for purchase on behalf of the Account, shares of the Series and Classes listed on Schedule 4 to this Agreement, such purchases to be effected at net asset value in accordance with Section 2.3 of this Agreement. Such Series and Classes shall be made available to the Company in accordance with the terms and provisions of this Agreement until this Agreement is terminated pursuant to Article X or the Distributor suspends or terminates the offering of shares of such Series or Classes in the circumstances described in Article X.

(b) Notwithstanding clause (a) of this Section 2.1, Series or Classes of Trust shares in existence now, or that may be established in the future, will be made available to the Company only as the Distributor may so provide, subject to the Distributor's rights set forth in Article X to suspend or terminate the offering of shares of any Series or Class or to terminate this Agreement.

(c) The parties acknowledge and agree that: (i) the Trust may revoke the Distributor's authority pursuant to the terms and conditions of its distribution agreement with the Distributor, and (ii) the Trust reserves the right in its sole discretion to refuse to accept a request for the purchase of Trust shares.

2.2. REDEMPTIONS. The Trust shall redeem, at the Company's request, any full or fractional Trust shares held by the Company on behalf of the Account, such redemptions to be effected at net asset value in accordance with Section 2.3 of this Agreement. Notwithstanding the foregoing: (a) the Company shall not redeem Trust shares attributable to Contract Owners except in the circumstances permitted in Article X of this Agreement, and (b) the Trust may delay redemption of Trust shares of any Series or Class to the extent permitted by the 1940 Act,

2.3. PURCHASE AND REDEMPTION PROCEDURES

(a) The Trust hereby appoints the Company as its agent for the limited purpose of receiving purchase and redemption requests on behalf of the Accounts for shares of those Series or Classes made available hereunder, based on transactions in units issued by an Account (or sub-account of an Account) under the Contracts, other transactions relating to the Contracts or the Accounts and customary processing of such transactions. Receipt of requests for transactions in Account (or sub-account) units, or other transactions relating to the Contracts or the Accounts, on any Business Day by the Company as such limited agent of the Trust prior to the Trust's close of business as defined from time to time in the applicable Prospectus for such Series or Class (which as of the date of execution of this Agreement is the close of regular trading on the New York Stock Exchange (normally 4:00 p.m. New York Time)) shall constitute receipt by the Trust on that same Business Day, provided that the Trust receives actual and sufficient notice of such request by 9:00 a.m. Eastern Time on the next following Business Day (the "Notice Day"). Such notice may be communicated by facsimile to the office or person designated for such notice by the Trust.

(b) The Company shall pay for shares of each Series or Class on the Notice Day. Payment for Series or Class shares shall be made in federal funds transmitted to the Trust by wire to be received by the Trust by 2:00 pm Eastern Time on the Notice Day (unless the Trust determines and so advises the Company that sufficient proceeds are available from redemption of shares of other Series or Classes effected pursuant to redemption requests tendered by the Company on behalf of the Account). In no event may proceeds from the redemption of shares requested pursuant to an order received by the Company after the Trust's close of business on any Business Day be applied to the payment for shares for which a purchase order was received prior to the Trust's close of business on such day. If the issuance of shares is canceled because federal funds are not timely received, the Company shall indemnify the respective Fund and Distributor with respect to all costs, expenses and losses relating thereto. Upon the Trust's receipt of federal funds so wired, such funds shall cease to be the responsibility of the Company and shall become the responsibility of the Trust. If federal funds are not received on time, such funds will be invested, and Series or Class shares purchased thereby will be issued, as soon as practicable after actual receipt of such funds but in any event not on the same day that the purchase order was received.

(c) Payment for Series or Class shares redeemed by the Accounts or the Company shall be made in federal funds transmitted by wire to the Company (or any person designated in writing by the Company), such funds normally to be transmitted by 6:00 p.m. Eastern Time on the Notice Day of the redemption order for Series or Class shares (unless redemption proceeds are to be applied to the purchase of Trust shares of other Series or Classes in accordance with Section 2.3(b) of this Agreement), except that the Trust reserves the right to redeem Series or Class shares in assets other than cash and to delay payment of redemption proceeds to the extent permitted by the 1940 Act, any rules or regulations or orders thereunder, or the applicable Prospectus. The Trust shall not bear any responsibility whatsoever for the proper disbursement or crediting of redemption proceeds by the Company.

(d) Prior to the first purchase of any Trust shares hereunder,

the Company and the Trust shall provide each other with all information necessary to effect wire transmissions of federal funds to the other party and all other designated persons pursuant to such protocols and security procedures as the parties may agree upon. Should such information change thereafter, the Trust and the Company, as applicable, shall notify the other in writing of such changes, observing the same protocols and security procedures, at least three Business Days in advance of when such change is to take effect. The Company and the Trust shall observe customary procedures to protect the confidentiality and security of such information, but the Trust shall not be liable to the Company for any breach of security.

(e) The procedures set forth herein are subject to any additional terms set forth in the applicable Prospectus for the Series or Class or by the requirements of applicable law.

2.4. NET ASSET VALUE. The Trust shall inform the Company of the net asset value per share for each Series or Class available to the Company as soon as reasonably practicable after the net asset value per share for such Series or Class is calculated and shall use its best efforts to provide this information to the Company by 6:30 p.m. Pacific Time each Business Day. The Trust shall calculate such net asset value in accordance with the Prospectus for such Series or Class.

2.5. DIVIDENDS AND DISTRIBUTIONS. The Trust shall furnish notice to the Company as soon as reasonably practicable of any income dividends or capital gain distributions payable on any Series or Class shares. The Company, on its behalf and on behalf of the Account, hereby elects to receive all such dividends and distributions as are payable on any Series or Class shares in the form of additional shares of that Series or Class. The Company reserves the right, on its behalf and on behalf of the Account, to revoke this election and to receive all such dividends and capital gain distributions in cash; to be effective, such revocation must be made in writing and received by the Trust at least ten Business Days prior to a dividend or distribution date. The Trust shall notify the Company promptly of the number of Series or Class shares so issued as payment of such dividends and distributions.

2.6. BOOK ENTRY. Issuance and transfer of Trust shares shall be by book entry only. Share certificates will not be issued to the Company or the Accounts. Purchase and redemption orders for Trust shares shall be recorded in an appropriate ledger for each Account (or sub-account).

2.7. PRICING ERRORS. Any material errors in the calculation of net asset value, dividends or capital gain information shall be reported immediately upon discovery to the Company. The Trust or its agent will promptly correct any such errors and promptly recalculate transactions made under this Agreement using the correct net asset value, dividends or capital gains consistent with the Trust's then current net asset value error correction policy (including the policy's definition of the term "material"). To the extent that recalculation of one or more transactions does not make the Company's account with a Fund "whole," the Distributor shall make such account "whole." The Distributor shall not be responsible for payment of any costs of reprocessing transactions in units issued by an Account (or a sub-account of an Account) under the Contracts arising out of an error in the calculation of a Fund's net asset value, dividends or capital gains distributions if such error is discovered and corrected within five business days. Neither the Trust, any Fund, the Distributor, nor any of their affiliates shall be liable for any information provided to the Company pursuant to this Agreement which information is based on incorrect information supplied by or on behalf of the Company or any other Participating Investor to the Trust or the Distributor.

2.8. LIMITS ON PURCHASERS. The Distributor and the Trust shall sell Trust shares only to life insurance companies and their separate accounts and to persons or plans ("Qualified Persons") that qualify to purchase shares of the Trust under Section 817(h) of the Code and the regulations thereunder without

impairing the ability of the Accounts to consider the portfolio investments of the Trust as constituting investments of the Accounts for the purpose of satisfying the diversification requirements of Section 817(h). The Company hereby represents and warrants that it and each Account are Qualified Persons. The Distributor and the Trust shall not sell Trust shares to any insurance company or separate account unless an agreement is in effect between the Distributor, the Trust and the insurance company containing provisions substantially the same as those in Article VIII of this Agreement. The Distributor and the Trust shall not sell more than 10% of any Series of Trust shares to any Participating Plan unless an agreement is in effect between the Distributor, the Trust and the trustee (or other fiduciary) of the Plan containing provisions substantially the same as those in Article VIII of this Agreement. The Distributor and the Trust shall not sell Trust shares to any Participating Plan unless a written acknowledgment of the foregoing condition is received from the trustee (or other fiduciary) of the Plan.

2.9 DISRUPTIVE TRADING. The Trust has adopted policies designed to prevent frequent purchases and redemptions of any Series of Trust shares in quantities great enough to disrupt orderly management of the corresponding Fund's investment portfolio. These policies are disclosed in the Trust's prospectus. From time to time, the Trust and the Distributor implement procedures reasonably designed to enforce the Trust's disruptive trading policies and shall provide a written description of such procedures (and revisions thereto) to the Company. Such procedures may include the imposition of redemption fees as identified in Article 7.5 of this Agreement. The Company agrees to develop, adopt and maintain policies regarding transactions in Account units reasonably designed to complement the Trust's disruptive trading policies, and to implement Account transaction procedures reasonably designed, from time to time, to effectuate the Trust's procedures for preventing disruptive trading in Trust shares.

### ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1. COMPANY. The Company represents and warrants that: (a) it is an insurance company duly organized and in good standing under applicable law; (b) it has legally and validly established each Account as a segregated asset account under applicable state law to serve as segregated investment accounts for the Contracts; (c) each Schedule 1 Account is duly registered as a unit investment trust under the 1940 Act and each such Account's 1940 Act Registration Statement has been filed with the SEC in accordance with the 1940 Act; (d) the Schedule 2

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Accounts and Schedule 3 Accounts each qualify for the exclusions on which they rely for not registering as investment companies under the 1940 Act; (e) it has registered, or will register, all Schedule 1 Contracts offered and sold pursuant to this Agreement under the 1933 Act and has an effective Registration Statement for that purpose; (f) it will offer and sell the Contracts in compliance in all material respects with all applicable federal and state laws and regulations, including, but not limited to, state insurance law and federal securities law suitability requirements; (g) the Contracts have been filed, qualified and/or approved for sale, as applicable, under the insurance laws and regulations of the states in which the Contracts will be offered; (h) sales of the Schedule 2 Contracts and Schedule 3 Contracts properly qualify for exemptions on which the Company relies in not registering such Contracts, or interests in the Account through which each is issued, under the 1933 Act; (i) its activities and those of its employees in promoting the sale and distribution of the Contracts and effecting Contract Owner transactions in Account units have not caused, and will not cause, the Company to be deemed a broker-dealer, (j) orders it places for the purchase and redemption of Trust shares pursuant to Article 2.3 of this Agreement are the net result of transactions in units issued by an Account, instructions for which are received by the Company prior to the Trust's close of business as defined from time to time in the applicable Prospectus for such Series or Class (which as of the date of execution of this Agreement is the close of regular trading on the New York Stock Exchange (normally 4:00 p.m. New



York Time)), (k) as long as this Agreement remains in effect, it shall remain in continuous compliance with Article 6.3, Article 6.4 and Article 6.5 of this Agreement and (l) it will notify the Distributor and the Trust promptly if for any reason it is unable to perform its obligations under this Agreement.

3.2. TRUST. The Trust represents and warrants that: (a) it is a statutory trust duly organized and validly existing under the Delaware law; (b) it is duly registered under the 1940 Act as an open-end management investment company and has filed a 1940 Act Registration Statement with the SEC in accordance with the provisions of the 1940 Act; (c) Trust shares issued pursuant to this Agreement have been, or will be, duly authorized and validly issued in accordance with applicable law; (d) it will offer and sell Trust shares pursuant to this Agreement in compliance in all material respects with all applicable federal and state laws and regulations; (e) it has registered, or will register, all Trust shares offered and sold pursuant to this Agreement under the 1933 Act and has an effective Registration Statement for that purpose; (f) as long as this Agreement remains in effect, it shall remain in continuous compliance with Article 6.1 and Article 6.2 of this Agreement; and (g) the Trust's Board, a majority of whom are not interested persons of the Trust, has formulated and approved a plan under Rule 12b-1 ("Rule 12b-1 Plan") to finance distribution expenses.

3.3. DISTRIBUTOR. The Distributor represents and warrants that: (a) it is a limited liability company duly organized and in good standing under Delaware law; (b) it is registered as a broker-dealer under federal and applicable state securities laws and is a member in good standing of the NASD; and (c) Wells Fargo Bank, the Trust's investment adviser, is exempt from registration as an investment adviser under all applicable federal and state securities laws and that Wells Fargo Bank will perform its obligations to the Trust in accordance with any applicable state and federal securities laws.

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3.4. LEGAL AUTHORITY. Each party represents and warrants that the execution and delivery of this Agreement and the consummation of the transactions contemplated herein have been duly authorized by all necessary corporate, or trust action, as applicable, by such party, and, when so executed and delivered, this Agreement will be the valid and binding obligation of such party enforceable in accordance with its terms.

3.5. BONDING REQUIREMENT. Each party represents and warrants that all of its directors, trustees, officers, members and employees dealing with the money and/or securities of the Trust are and shall continue to be at all times covered by a blanket fidelity bond or similar coverage for the benefit of the Trust in an amount not less than the amount required by the applicable rules of the NASD and the federal securities laws. The aforesaid bond shall include coverage for larceny and embezzlement and shall be issued by a reputable bonding company. All parties shall make all reasonable efforts to see that this bond or another bond containing these provisions is always in effect, shall provide evidence thereof promptly to any other party upon written request therefor, and shall notify the other parties promptly in the event that such coverage no longer applies.

#### ARTICLE IV REGULATORY REQUIREMENTS

4.1. TRUST FILINGS. The Trust shall amend the Trust's Registration Statement from time to time and maintain its effectiveness as required in order to effect the continuous offering of Trust shares in compliance with applicable law. Notwithstanding the foregoing, the Trust shall register and qualify Trust shares for sale in accordance with the laws of various states if, and to the extent, deemed advisable by the Trust or the Distributor. The Trust shall amend the Trust's 1940 Act Registration Statement as required by the 1940 Act to maintain the Trust's registration under the 1940 Act for as long as Trust shares are outstanding. The Trust shall comply in all material respects with the 1940 Act.

4.2. ACCOUNT FILINGS. The Company shall amend the Registration Statement for each Schedule 1 Contract from time to time and maintain its effectiveness as required in order to effect the continuous offering of such Contracts in compliance with applicable law for as long as purchase payments are made under such Contracts. Notwithstanding the foregoing, the Company: (a) may permit the effectiveness of a Schedule 1 Contract's Registration Statement to expire if the Company has supplied the Trust with an SEC no-action letter or opinion of counsel satisfactory to the Trust's counsel to the effect that maintaining such Registration Statement on a current basis is no longer required, and (b) shall register and qualify the Contracts for sale in accordance with the securities laws of the various states only if, and to the extent, it considers such registration and qualification necessary. The Company shall amend each Schedule 1 Account's 1940 Act Registration Statement as required by the 1940 Act to maintain the Account's registration under the 1940 Act for as long as the Schedule 1 Contracts issued through that Account are in force. With regard to each Schedule 1 Account, the Company shall comply in all material respects with the 1940 Act.

The Company shall be responsible for filing all Contract forms, applications, marketing materials and other documents relating to the Contracts and/or the Account with state insurance

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commissions, as required or customary, and shall use its best efforts: (a) to obtain any and all approvals thereof, under applicable state insurance law, of each state or other jurisdiction in which Contracts are or may be offered for sale; and (b) to keep such approvals in effect for so long as the Contracts are outstanding.

4.3 DELIVERY OF PROSPECTUSES BY THE COMPANY. The Company shall deliver (or arrange for delivery of) an appropriate Prospectus to each prospective Contract Owner describing in all material respects the terms and features of the Contract being offered. The Company also shall deliver (or arrange for delivery of) a Prospectus for each Fund that a prospective Contract Owner identifies on his or her application as an intended investment option under a Contract or to which a Schedule 1 Contract Owner allocates premium payments to or transfers Contract value. The Company shall deliver (or arrange for delivery of) such Prospectuses at the times required by applicable provisions of the 1933 Act and rules or regulations thereunder.

4.3. VOTING OF TRUST SHARES. The extent required by applicable law, whenever the Trust shall have a meeting of holders of any Series or Class of Trust shares, the Company shall:

- o solicit voting instructions from Contract Owners
- o vote Trust shares held in each Account at such shareholder meetings in accordance with instructions received from Contract Owners, and
- o vote Trust shares held in each Account for which it has not received timely instructions in the same proportion as it votes the applicable Series or Class of Trust shares for which it has received timely instructions.

Except with respect to matters as to which the Company has the right under Rule 6e-2 or Rule 6e-3(T) under the 1940 Act, to vote Trust shares without regard to voting instructions from Contract Owners, neither the Company nor any of its affiliates will recommend action in connection with, or oppose or interfere with, the actions of the Trust Board to hold shareholder meetings for the purpose of obtaining approval or disapproval from shareholders (and, indirectly, from Contract Owners) of matters put before the shareholders.

As required by the conditions attaching to the SEC Order, the Company shall remain responsible for ensuring that it calculates voting instructions and votes Trust shares at shareholder meetings in a manner consistent with other

Participating Investors. The Trust will notify the Company of any changes to the SEC Order, the conditions attaching thereto, or to any interpretation of the Order or conditions.

The Trust will comply with all provisions of the 1940 Act requiring voting by shareholders, and in particular, the Trust will either provide for annual meetings (except to the extent that the SEC may interpret Section 16 of the 1940 Act not to require such meetings) or comply with Section 16(c) of the 1940 Act (although the Trust is not one of the trusts described in Section 16(c) of that Act) as well as with Sections 16(a) and, if and when applicable, 16(b) of the 1940 Act. Further, the Trust will act in accordance with the SEC's interpretation of the requirements of

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Section 16(a) with respect to periodic elections of trustees and with whatever rules the SEC may promulgate with respect thereto.

4.4. STATE INSURANCE RESTRICTIONS. The Company acknowledges and agrees that it is the responsibility of the Company and other Participating Insurance Companies to determine investment restrictions and any other restrictions, limitations or requirements under state insurance law applicable to any Fund or the Trust or the Distributor, and that neither the Trust nor the Distributor shall bear any responsibility to the Company, other Participating Insurance Companies or any Product Owners for any such determination or the correctness of such determination.

4.5. INTERPRETATION OF LAW. Under no circumstances will the Trust, the Distributor or any of their affiliates (excluding Participating Investors) be held responsible or liable in any respect for any statements or representations made by them or their legal advisers to the Company or any Contract Owner concerning the applicability of any federal or state laws, regulations or other authorities to the activities contemplated by this Agreement.

4.6. DISCLOSURE. The Trust's prospectus shall state that the statement of additional information for the Trust is available from either the Distributor or the Trust. The Trust hereby notifies the Company that it is appropriate to include in Contract Prospectuses, disclosure of the potential risks of mixed and shared funding.

4.7. DRAFTS OF FILINGS. As requested, the Trust and the Company shall provide to each other copies of draft versions of any Registration Statements, Prospectuses, Statements of Additional Information, periodic and other shareholder or Contract Owner reports, proxy statements, solicitations for voting instructions, applications for exemptions, requests for no-action letters, and all amendments or supplements to any of the above, prepared by or on behalf of either of them and that mentions the other party by name. Such drafts shall be provided to the other party sufficiently in advance of filing such materials with regulatory authorities in order to allow such other party a reasonable opportunity to review the materials.

4.8. COPIES OF FILINGS. The Trust and the Company shall provide to each other at least one complete copy of all Registration Statements, Prospectuses, Statements of Additional Information, periodic and other shareholder or Contract Owner reports, proxy statements, solicitations of voting instructions, applications for exemptions, requests for no-action letters, and all amendments or supplements to any of the above, that relate to the Trust, the Contracts or the Account, as the case may be, promptly after the filing by or on behalf of each such party of such document with the SEC or other regulatory authorities (it being understood that this provision is not intended to require the Trust to provide to the Company copies of any such documents prepared, filed or used by Participating Investors other than the Company and the Account).

4.9. REGULATORY RESPONSES. Each party shall promptly provide to all other parties copies of responses to no-action requests, notices, orders and other rulings received by such party with respect to any filing covered by Section 4.8 of this Agreement.

## 4.10. COMPLAINTS AND PROCEEDINGS

(a) The Trust and/or the Distributor shall immediately notify the Company of: (i) the issuance by any court or regulatory body of any stop order, cease and desist order, or other similar order (but not including an order of a regulatory body exempting or approving a proposed transaction or arrangement) with respect to the Trust's Registration Statement or the Prospectus of any Series or Class; (ii) any request by the SEC for any amendment to the Trust's Registration Statement or the Prospectus of any Series or Class; (iii) the initiation of any proceedings for that purpose or for any other purposes relating to the registration or offering of the Trust shares; or (iv) any other action or circumstances that may prevent the lawful offer or sale of Trust shares or any Class or Series in any state or jurisdiction, including, without limitation, any circumstance in which (A) such shares are not registered and, in all material respects, issued and sold in accordance with applicable state and federal law or (B) such law precludes the use of such shares as an underlying investment medium for the Contracts or the Accounts. The Trust will make every reasonable effort to prevent the issuance of any such stop order, cease and desist order or similar order and, if any such order is issued, to obtain the lifting thereof at the earliest possible time.

(b) The Company shall immediately notify the Trust and the Distributor of: (i) the issuance by any court or regulatory body of any stop order, cease and desist order, or other similar order (but not including an order of a regulatory body exempting or approving a proposed transaction or arrangement) with respect to the Contracts' Registration Statement or the Contracts' Prospectus; (ii) any request by the SEC for any amendment to the Contracts' Registration Statement or Prospectus; (iii) the initiation of any proceedings for that purpose or for any other purposes relating to the registration or offering of the Contracts; or (iv) any other action or circumstances that may prevent the lawful offer or sale of the Contracts or any class of Contracts in any state or jurisdiction, including, without limitation, any circumstance in which such Contracts are not registered, qualified and approved, and, in all material respects, issued and sold in accordance with applicable state and federal laws. The Company will make every reasonable effort to prevent the issuance of any such stop order, cease and desist order or similar order and, if any such order is issued, to obtain the lifting thereof at the earliest possible time.

(c) Each party shall immediately notify the other parties when it receives notice, or otherwise becomes aware of, the commencement of any litigation or proceeding against such party or a person affiliated therewith in connection with the issuance or sale of Trust shares or the Contracts.

(d) The Company shall provide to the Trust and the Distributor any complaints it has received from Contract Owners pertaining to the Trust or a Fund, and

the Trust and Distributor shall each provide to the Company any complaints it has received from Contract Owners relating to the Contracts or the Company.

4.11. COOPERATION. Each party hereto shall cooperate with the other parties and all appropriate government authorities (including without limitation the SEC, the NASD and state securities and insurance regulators) and shall permit such authorities reasonable access to its books and records in connection with any examination, inquiry, or investigation by any such authority relating

to this Agreement or the transactions contemplated hereby. However, such access shall not extend to attorney-client privileged information.

ARTICLE V  
SALE, ADMINISTRATION AND SERVICING OF THE CONTRACTS

5.1. SALE OF THE CONTRACTS. The Company shall be fully responsible as to the Trust and the Distributor for the sale and marketing of the Contracts. The Company shall provide Contracts, the Contracts' and Trust's Prospectuses, Contracts' and Trust's Statements of Additional Information, and all amendments or supplements to any of the foregoing to Contract Owners and prospective Contract Owners, all in accordance with federal and state laws. Without limiting the generality of the foregoing, the Company shall: (1) enter into and enforce agreements with affiliated and unaffiliated parties to, and (2) adopt and implement written compliance policies and procedures reasonably designed to, ensure that:

- o all persons offering or selling the Contracts are duly licensed and registered under applicable insurance and securities laws,
- o all individuals offering or selling the Contracts are duly appointed agents of the Company and are registered representatives of a NASD member broker-dealer,
- o each sale of a Contract satisfies applicable suitability requirements under insurance and securities laws and regulations, including without limitation the rules of the NASD,
- o persons offering or selling the Contracts disclose to prospective Contract Owners remuneration each expects to receive in connection with sales of the Contracts and any conflicts of interest arising therefrom as required by applicable law, and
- o persons offering or selling the Contracts do not intend to engage in Account unit transactions that would violate the Company's or the Trust's disruptive trading policies.

5.2. ANTI-MONEY LAUNDERING. The Company shall comply with all applicable laws and regulations designed to prevent money "laundering", and if required by such laws or regulations, to share with the Trust information about individuals, entities, organizations and

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countries suspected of possible terrorist or money "laundering" activities in accordance with Section 314(b) of the USA Patriot Act. In particular, the Company agrees that:

- o as part of processing an application for a Contract, it will verify the identity of applicants and, if an applicant is not a natural person, will verify the identity of prospective principal and beneficial owners submitting an application for a Contract,
- o as part of its ongoing compliance with the USA Patriot Act, it will, from time to time, reverify the identity of Contract Owners, including the identity of principal and beneficial owners of Contracts held by non-natural persons,
- o as part of processing an application for a Contract, it will verify that no applicant, including prospective principal or beneficial Contract Owners, is a "specially designated national" or a person from an embargoed or "blocked" country as indicated by the Office of Foreign Asset Control ("OFAC")

list of such persons,

- o as part of its ongoing compliance with the USA Patriot Act, it will, from time to time, reverify that no Contract Owner, including a principal or beneficial Contract Owners, is a "specially designated national" or a person from an embargoed or "blocked" country as indicated by the Office of Foreign Asset Control ("OFAC") list of such persons,
- o it will ensure that money tendered to the Trust as payment for Trust shares did not originate with a bank lacking a physical place of business (I.E., a "shell" bank) or from a country or territory named on the list of high-risk or non-cooperating countries or jurisdictions published by the Financial Action Task Force, and
- o if any of the foregoing cease to be true, the Trust or its agents, in compliance with the USA Patriot Act or Bank Secrecy Act, may seek authority to block transactions in Account units arising from accounts of one or more such Contract Owners with the Company or of one or more of the Company's accounts with the Trust.

The Trust and the Distributor shall comply with all applicable laws and regulations designed to prevent money "laundering", and if required by such laws or regulations, to share with the Company information about individuals, entities, organizations and countries suspected of possible terrorist or money "laundering" activities in accordance with Section 314(b) of the USA Patriot Act.

5.3. ADMINISTRATION AND SERVICING OF THE CONTRACTS. The Company shall be fully responsible for the underwriting, issuance, service and administration of the Contracts and for

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the administration of the Account, including, without limitation, the calculation of performance information for the Contracts, the timely payment of Contract Owner redemption requests and processing of Contract transactions, and the maintenance of a service center, such functions to be performed in all respects at a level commensurate with those standards prevailing in the variable insurance industry. The Company shall provide to Contract Owners all Trust reports, solicitations for voting instructions including any related Trust proxy solicitation materials, and updated Trust Prospectuses as required under the federal securities laws.

5.4. CUSTOMER COMPLAINTS. The Company shall promptly address all complaints from Contract Owners and resolve such complaints consistent with high ethical standards and principles of ethical conduct.

5.5. TRUST PROSPECTUSES AND REPORTS. In order to enable the Company to fulfill its obligations under this Agreement and the federal securities laws, the Trust shall provide the Company with a copy, in camera-ready form or form otherwise suitable for printing or duplication of: (a) the Trust's Prospectus for the Series and Classes listed on Schedule 4 and any supplement thereto; (b) any Trust proxy soliciting material for such Series or Classes; and (c) any Trust periodic shareholder reports. The Trust and the Company may agree upon alternate arrangements, but in all cases, the Trust reserves the right to approve the printing of any such material. The Trust shall make available to the Company on the Trust's website each Statement of Additional Information and supplement thereto. The Trust shall provide the Company at least 10 days advance written notice when any such material shall become available, provided, however, that in the case of a supplement, the Trust shall provide the Company reasonable notice in the circumstances, it being understood that circumstances surrounding such supplement may not allow for advance notice. The Company may not alter any material so provided by the Trust or the Distributor (including, without limitation, presenting or delivering such material in a different medium such as

electronic mail or attachments thereto) without the prior written consent of the Distributor.

5.6. TRUST ADVERTISING MATERIAL. Neither the Company or any person directly or indirectly authorized by the Company (including, without limitation, underwriters, distributors, and sellers of the Contracts) shall use any piece of advertising, sales literature or other promotional material in which the Trust, the Distributor, Wells Fargo Bank, or a sub-adviser retained by Wells Fargo Bank to manage a Fund, is named, except with the prior written consent of the Trust or the Distributor. The Company shall furnish to the Trust or the Distributor each such piece of advertising, sales literature or other promotional material at least five (5) days prior to its use. The Trust or the Distributor shall respond to any request for written consent on a prompt and timely basis, but failure to respond shall not relieve the Company of the obligation to obtain the prior written consent of the Trust or the Distributor. After receiving the Trust's or Distributor's consent to the use of any such material, no further changes may be made without obtaining the Trust's or Distributor's consent to such changes. The Trust or Distributor may at any time in its sole discretion revoke such written consent, and upon notification of such revocation, the Company shall no longer use the material subject to such revocation. The Company shall be responsible for filing any such materials with the NASD as applicable.

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5.7. CONTRACTS ADVERTISING MATERIAL. The Trust and the Distributor shall not use any piece of advertising or sales literature or other promotional material in which the Company, an Account or a Contract is named, except with the prior written consent of the Company. The Trust or the Distributor shall furnish to the Company each such piece of advertising, sales literature or other promotional material at least five (5) days prior to its use. The Company shall respond to any request for written consent on a prompt and timely basis, but failure to respond shall not relieve the Trust or the Distributor of the obligation to obtain the prior written consent of the Company. After receiving the Company's consent to the use of any such material, no further changes may be made by the Trust or Distributor without obtaining the Company's consent to such changes. The Company may at any time in its sole discretion revoke any written consent, and upon notification of such revocation, neither the Trust nor the Distributor shall use the material subject to such revocation. The Trust and the Distributor shall be responsible for filing any such materials with the NASD as applicable.

5.8. TRADE NAMES. No party shall use any other party's names, logos, trademarks or service marks, whether registered or unregistered, without the prior written consent of such other party, or after written consent therefor has been revoked. The Company shall not use in advertising, publicity or otherwise the name of the Trust, Distributor, or any of their affiliates nor any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof of the Trust, Distributor, or their affiliates without the prior written consent of the Trust or the Distributor in each instance.

5.9. REPRESENTATIONS BY COMPANY. Except with the prior written consent of the Trust, the Company shall not give any information or make any representations or statements about the Trust or the Funds nor shall it authorize or allow any other person to do so except information or representations contained in the Trust's Registration Statement or the Trust's Prospectuses or in reports or proxy statements for the Trust, or in advertisements, sales literature or other promotional material approved in writing by the Trust or its designee in accordance with this Article V, or in published reports or statements of the Trust in the public domain.

The Company agrees to ensure that advertisements, sales literature or other promotional material for the Contracts prepared by the Company or its affiliates will be consistent with every law, rule, and regulation of any regulatory agency or self-regulatory agency that applies to the Contracts or to the sale of the Contracts, including, but not limited to, NASD Conduct Rule 2210 and IM-2210-1, IM-2210-2 and IM-2210-3 thereunder.



The Company has adopted and implemented, or shall adopt and implement, written compliance procedures reasonably designed to ensure that information concerning the Trust, the Distributor, or any of their affiliates which is intended for use by brokers or agents selling the Contracts (I.E., information that is not intended for distribution to Contract Owners or prospective Contract Owners) is so used, and neither the Trust, the Distributor, nor any of their affiliates shall be liable for any losses, damages, or expenses relating to the improper use of such broker only materials by agents of the Company or its affiliates who are unaffiliated with the Trust or the Distributor. The parties hereto agree that this Section 5.9 is not intended to designate nor otherwise imply that the Company is an underwriter or distributor of the Trust's shares.

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5.10. REPRESENTATIONS BY TRUST. Except with the prior written consent of the Company, the Trust shall not give any information or make any representations on behalf of the Company or concerning the Company, the Accounts or the Contracts other than the information or representations contained in the appropriate Contract Registration Statement or Contract Prospectus or in published reports of the Company or the Accounts which are in the public domain or in advertisements, sales literature or other promotional material approved in writing by the Company in accordance with this Article V.

The Trust agrees to ensure that advertisements, sales literature or other promotional material for the Trust prepared by the Distributor or its affiliates in connection with the sale of the Contracts will be consistent with every law, rule, and Regulation of any regulatory agency or self regulatory agency that applies to the Trust or to the sale of Trust shares, including, but not limited to, NASD Conduct Rule 2210 and IM-2210-1, IM-2210-2 and IM-2210-3 thereunder.

The Trust or the Distributor shall mark information produced by or on behalf of the Trust which is intended for use by brokers or agents selling the Contracts (I.E., information that is not intended for distribution to Contract Owners or prospective Contract Owners) "FOR BROKER USE ONLY," and neither the Company nor any of its affiliates shall be liable for any losses, damages, or expenses arising on account of the use by brokers of such information with third parties in the event that is not so marked.

5.11. ADVERTISING. For purposes of this Article V, the phrase "advertising, sales literature or other promotional material" includes, but is not limited to, any material constituting sales literature or advertising under the NASD Conduct rules, the 1940 Act or the 1933 Act. Such material includes, without limitation, the following materials for prospective Contract Owners, existing Contract Owners, wholesalers and other broker-dealers, rating or ranking agencies, or the press:

- o advertisements (such as material published, or designed for use in, a newspaper, magazine, or other periodical, radio, television, telephone or tape recording, videotape display, signs or billboards, motion pictures, websites, or other public media),
- o sales literature (I.E., any written communication distributed or made generally available to customers or the public, including brochures, circulars, research reports, market letters, form letters, seminar texts, reprints or excerpts of any other advertisement, sales literature, electronic mail, or published article),
- o educational or training materials or other communications distributed or made generally available to some or all agents or employees, and
- o registration statements, prospectuses, statements of additional information, shareholder reports, and proxy



ARTICLE VI  
COMPLIANCE WITH CODE

6.1. SECTION 817(H). The Trust will at all times invest money from the Contracts in such a manner as to ensure that the Contracts will be treated as variable contracts the Code and regulations thereunder. Without limiting the scope of the foregoing, the Trust shall ensure that each Fund will comply with Section 817(h) of the Code and Treasury Regulation 1.817-5 thereunder, relating to the diversification requirements for variable annuity, endowment, or life insurance contracts, and any amendments or other modifications to such Section and Regulation or successors thereto. The Trust shall notify the Company immediately upon having a reasonable basis for believing that a Fund has failed to so comply or that it might not comply in the future.

6.2. SUBCHAPTER M. The Trust shall maintain the qualification of each Fund as a regulated investment company (under Subchapter M or any successor or similar provision), and the Trust shall notify the Company immediately upon having a reasonable basis for believing that a Fund has ceased to so qualify or that it might not so qualify in the future.

6.3. CONTRACTS. The Company shall ensure that at the time each Contract is issued it is treated as a life insurance, endowment, or annuity contract under applicable provisions of the Code, and that as long as the Accounts hold shares of the Trust the Company shall maintain such treatment for each outstanding Contract. The Company shall notify the Trust and the Distributor immediately upon having any basis for believing that the Contracts will not be treated as life insurance, endowment, or annuity contracts under applicable provisions of the Code.

6.4 REGULATION 1.817-5(F). The Company shall ensure that no Fund fails to remain eligible for "look-through" treatment under Treasury Regulation 1.817-5(f) by reason of a current or future failure of the Company, the Accounts or the Contracts to comply with any applicable requirements of the Code or Treasury Regulations. The Company shall notify the Trust and the Distributor immediately upon having any basis for believing that the failure of the Company, the Accounts or the Contracts to comply with any applicable requirements of the Code or Treasury Regulations could render a Fund ineligible, or jeopardize a Fund's eligibility, for "look-through" treatment under Treasury Regulation 1.817-5(f). In the event of such a failure, the Company shall take all necessary steps to cure any such failure, including, if necessary, obtaining a waiver or closing agreement with respect to such failure from the U.S. Internal Revenue Service at the Company's expense.

6.5 MODIFIED ENDOWMENT CONTRACTS. The Company shall ensure that any Prospectus offering a variable life insurance Contract in circumstances where it is reasonably probable that such Contract would be a "modified endowment contract," as that term is defined in Section 7702A of the Internal Revenue Code, will identify such Contract as a modified endowment contract.

ARTICLE VII  
EXPENSES

7.1. EXPENSES. All expenses incident to each party's performance under this Agreement (including expenses expressly assumed by such party pursuant to this Agreement) shall be paid by such party to the extent permitted by law.

7.2. TRUST EXPENSES. Expenses incident to the Trust's performance of its duties and obligations under this Agreement include, but are not limited to, the costs of:

(a) registration and qualification of the Trust shares under the federal securities laws;

(b) preparation and filing with the SEC of the Trust's Prospectuses, Trust's Statement of Additional Information, Trust's Registration Statement, Trust proxy materials and shareholder reports, and preparation of a "camera-ready" copy of the foregoing;

(c) preparation of all statements and notices required by any federal or state securities law;

(d) printing of all proxy materials, shareholder reports, prospectuses and other documents required to be provided by the Trust to its existing shareholders, and providing sufficient copies of the same to the Company for distribution to Contract Owners currently invested in the Trust; provided, however, that if the Company prints copies of the Trust's prospectuses (or portions thereof) as part of a larger document containing prospectuses of other investment companies, the Trust shall bear the expense only of its share of the cost of printing the document (for this purpose, the Trust's share shall be the percentage of the total cost of the document represented by the ratio that the number of pages of the Trust's prospectus bears to the total number of pages);

(e) all taxes on the issuance or transfer of Trust shares;

(f) payment of all applicable fees relating to the Trust, including, without limitation, all fees due under Rule 24f-2 in connection with sales of Trust shares to qualified retirement plans, custodial, auditing, transfer agent and advisory fees, fees for insurance coverage and Trustees' fees; and

(g) any expenses permitted to be paid or assumed by the Trust pursuant to a plan, if any, under Rule 12b-1 under the 1940 Act.

7.3. COMPANY EXPENSES. Expenses incident to the Company's performance of its duties and obligations under this Agreement include, but are not limited to, the costs of:

(a) registration and qualification of the Contracts under the federal securities laws;

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(b) preparation and filing with the SEC of the Contracts' Prospectus and Contracts' Registration Statement;

(c) the sale, marketing and distribution of the Contracts, including printing and dissemination of Contract Prospectuses to current and prospective Contract owners and of the Trust's Prospectuses to prospective Contract Owners as well as compensation for Contract sales;

(d) administration of the Contracts;

(e) solicitation of voting instructions, including distribution of Trust proxy materials to Contract Owners;

(f) payment of all applicable fees relating to Accounts and the Contracts, including, without limitation, all fees due under Rule 24f-2;

(g) preparation, printing and dissemination of all statements and notices to Contract Owners required by any federal or state insurance law other than those paid for by the Trust; and

(h) preparation, printing and dissemination of all marketing

materials for the Contracts and Trust except where other arrangements are made in advance.

7.4. OTHER EXPENSES AND PAYMENTS. The Trust and the Distributor shall pay no fee or other compensation to the Company under this Agreement. Each party, however, shall, in accordance with the allocation of expenses specified in this Agreement, reimburse other parties for expenses initially paid by one party, but allocated to another party. In addition, nothing herein shall prevent the parties from otherwise agreeing to perform, and arranging for appropriate compensation for, other services relating to the Trust, the Distributor, the Company or the Accounts. Notwithstanding the foregoing, pursuant to the distribution plan adopted by the Trust pursuant to Rule 12b-1 under the 1940 Act, and as contemplated by Article 3.2(g) of this Agreement, the Trust or any Series or Class thereof may pay the Distributor and the Distributor may pay the principal underwriter or distributor of one or more classes of Contracts for activities primarily intended to result in the sale of Contracts or of Trust shares the Accounts through which such Contracts are issued. Likewise, if the Trust or any Series or Class adopts and implements a shareholder service plan pursuant to Rule 12b-1 under the 1940 Act, or otherwise, then the Trust or the appropriate Series or Class may pay the Distributor and the Distributor may pay the principal underwriter or distributor of one or more classes of Contracts, or the Company, for activities related to personal service and/or maintenance of Contract Owner accounts, as permitted by such Plan.

7.5. REDEMPTION FEES. As a procedure in furtherance of its policies on disruptive trading of Trust shares, the Trust may assess fees, to be paid by one or more Accounts or by the Company, upon redemption of shares of one or more Series or Classes of the Trust within certain stated time periods after such shares have been purchased.

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#### ARTICLE VIII POTENTIAL CONFLICTS

8.1. SEC ORDER. The parties to this Agreement acknowledge that the Trust has obtained an SEC order (the "SEC Order") granting exemptions from various provisions of the 1940 Act and the rules thereunder to Participant Accounts supporting variable life insurance policies to the extent necessary to permit them to hold Trust shares when Trust share also are sold to and held by variable annuity and variable life insurance separate accounts of both affiliated and unaffiliated Participating Insurance Companies and other Qualified Persons (as defined in Section 2.8 hereof). The SEC Order is conditioned upon the Trust and each Participating Insurance Company complying with conditions and undertakings substantially as provided in this Article VIII. The Trust will not enter into a participation agreement with any other Participating Insurance Company unless it imposes the same conditions and undertakings on that company as are imposed on the Company pursuant to this Article VIII.

8.2. COMPANY MONITORING REQUIREMENTS. The Company will monitor its operations and those of the Trust for the purpose of identifying any material irreconcilable conflicts or potential material irreconcilable conflicts between or among the interests of Participating Plans, Product Owners of variable life insurance policies and Product Owners of variable annuity contracts.

8.3. COMPANY REPORTING REQUIREMENTS. The Company shall report any conflicts or potential conflicts to the Trust Board and will provide the Trust Board, at least annually, with all information reasonably necessary for the Trust Board to consider any issues raised by such existing or potential conflicts or by the conditions and undertakings required by the Exemptive Order. The Company also shall assist the Trust Board in carrying out its obligations including, but not limited to: (a) informing the Trust Board whenever it disregards Contract Owner voting instructions with respect to variable life insurance policies, and (b) providing such other information and reports as the Trust Board may reasonably request. The Company will carry out these obligations with a view only to the interests of Contract Owners.

8.4. TRUST BOARD MONITORING AND DETERMINATION. The Trust Board shall monitor the Trust for the existence of any material irreconcilable conflicts between or among the interests of Participating Plans, Product Owners of variable life insurance policies and Product Owners of variable annuity contracts and determine what action, if any, should be taken in response to those conflicts. A majority vote of Trustees who are not interested persons of the Trust as defined in the 1940 Act (the "disinterested trustees") shall represent a conclusive determination as to the existence of a material irreconcilable conflict between or among the interests of Product Owners and Participating Plans and as to whether any proposed action adequately remedies any material irreconcilable conflict. The Trust Board shall give prompt written notice to the Company and Participating Plan of any such determination. Minutes of the meetings of the Trust Board, or other appropriate records of the Trust, shall record all reports received by the Board regarding such conflicts and all actions taken by the Board in response.

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8.5. UNDERTAKING TO RESOLVE CONFLICT. In the event that a material irreconcilable conflict of interest arises between Product Owners of variable life insurance policies or Product Owners of variable annuity contracts and Participating Plans, the Company will, at its own expense, take whatever action is necessary to remedy such conflict as it adversely affects Contract Owners up to and including (1) establishing a new registered management investment company, and (2) withdrawing assets from the Trust attributable to reserves for the Contracts subject to the conflict and reinvesting such assets in a different investment medium (including another Fund) or submitting the question of whether such withdrawal should be implemented to a vote of all affected Contract Owners, and, as appropriate, segregating the assets supporting the Contracts of any group of such owners that votes in favor of such withdrawal, or offering to such owners the option of making such a change. The Company will carry out the responsibility to take the foregoing action with a view only to the interests of Contract Owners.

8.6. WITHDRAWAL. If a material irreconcilable conflict arises because of the Company's decision to disregard the voting instructions of Contract Owners of variable life insurance policies and that decision represents a minority position or would preclude a majority vote at any Fund shareholder meeting, then, if Trust Board so requests, the Company will redeem the shares of the Trust to which the disregarded voting instructions relate [and terminate this Agreement with respect to the Account through which such Contracts were issued]. No charge or penalty, however, will be imposed in connection with such a redemption.

8.7. EXPENSES ASSOCIATED WITH REMEDIAL ACTION. In no event shall the Trust be required to bear the expense of establishing a new funding medium for any Contract. The Company shall not be required by this Article VIII to establish a new funding medium for any Contract if an offer to do so has been declined by vote of a majority of the Contract Owners materially adversely affected by the irreconcilable material conflict.

8.8. SUCCESSOR RULES. If and to the extent that Rule 6e-2 and Rule 6e-3(T) are amended, or Rule 6e-3 is adopted, to provide exemptive relief from any provisions of the 1940 Act or the rules promulgated thereunder with respect to mixed and shared funding on terms and conditions materially different from those contained in the SEC Order, then (a) the Trust and/or the Company, as appropriate, shall take such steps as may be necessary to comply with Rules 6e-2 and 6e-3(T), as amended, or Rule 6e-3, as adopted, as applicable, to the extent such rules are applicable, and (b) Sections 8.2 through 8.7 of this Agreement shall continue in effect only to the extent that terms and conditions substantially identical to such Sections are contained in such Rule(s) as so amended or adopted.

#### ARTICLE IX INDEMNIFICATION

9.1. INDEMNIFICATION BY THE COMPANY. The Company hereby agrees to, and shall, indemnify and hold harmless the Trust, the Distributor and each person who controls or is affiliated with the Trust or the Distributor within the meaning of such terms under the 1933 Act or 1940 Act (but not any Participating Insurance Companies or Qualified Persons) and any officer, trustee, partner, director, employee or agent of the foregoing, against any and all losses, claims, damages or liabilities, joint or several (including any investigative, legal and other

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expenses reasonably incurred in connection with, and any amounts paid in settlement of, any action, suit or proceeding or any claim asserted), to which they or any of them may become subject under any statute or regulation, at common law or otherwise, insofar as such losses, claims, damages, expenses or liabilities:

(a) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Contracts Registration Statement, Contracts Prospectus, sales literature or other promotional material for the Contracts or the Contracts themselves (or any amendment or supplement to any of the foregoing), or arise out of or are based upon the omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they were made; provided that this obligation to indemnify shall not apply if such statement or omission was made in reliance upon and in conformity with information furnished in writing to the Company by the Trust or the Distributor for use in the Contracts Registration Statement, Contracts Prospectus or in the Contracts or sales literature or promotional material for the Contracts (or any amendment or supplement to any of the foregoing) or otherwise for use in connection with the sale of the Contracts or Trust shares; or

(b) arise out of any untrue statement or alleged untrue statement of a material fact contained in the Trust Registration Statement, any Prospectus for Series or Classes or sales literature or other promotional material of the Trust (or any amendment or supplement to any of the foregoing), or the omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they were made, if such statement or omission was made in reliance upon and in conformity with information furnished to the Trust or Distributor in writing by or on behalf of the Company; or

(c) arise out of or are based upon statements or representations by or on behalf of the Company (other than statements or representations contained in the Trust Registration Statement, Trust Prospectus, or advertisements, sales literature or other promotional material of the Trust not prepared or supplied by the Company or persons under its control) or any wrongful conduct of, or violation of federal or state law by, the Company or persons under its control or subject to its authorization, including without limitation, any broker-dealers or agents authorized to sell the Contracts, with respect to the sale, marketing or distribution of the Contracts or Trust shares, including, without limitation, any impermissible use of broker-only material, unsuitable or improper sales of the Contracts or unauthorized representations about the Contracts or the Trust; or

(d) arise as a result of any failure by the Company or persons under its control (or subject to its authorization) to provide services, furnish materials or make payments as required under this Agreement; or

(e) arise out of or result from any material breach by the Company or persons under its control (or subject to its authorization) of this Agreement; or

(f) arise out of or result from any breach of any representation or warranty made by the Company in this Agreement hereof, any failure to transmit a request for redemption or purchase of Trust shares or payment therefor on a timely basis in accordance with the procedures set forth in Article II, or any failure to deliver a Fund's prospectus as required by Article 4.3 hereunder.

This indemnification is in addition to any liability that the Company may otherwise have; provided, however, that no party shall be entitled to indemnification if such loss, claim, damage or liability is caused by the wilful misfeasance, bad faith, gross negligence or reckless disregard of duty by the party seeking indemnification.

9.2. INDEMNIFICATION BY THE TRUST. The Trust hereby agrees to, and shall, indemnify and hold harmless the Company and each person who controls or is affiliated with the Company within the meaning of such terms under the 1933 Act or 1940 Act and any officer, director, employee or agent of the foregoing, against any and all losses, claims, damages or liabilities, joint or several (including any investigative, legal and other expenses reasonably incurred in connection with, and any amounts paid in settlement of, any action, suit or proceeding or any claim asserted), to which they or any of them may become subject under any statute or regulation, at common law or otherwise, insofar as such losses, claims, damages, expenses or liabilities are related to the operations of the Trust and:

(a) arise out of or are based upon any failure by the Trust to provide the services and furnish the materials under the terms of this Agreement (including a failure, whether unintentional or in good faith or otherwise, to comply with the diversification requirements and procedures related thereto as specified in Article VI of this Agreement); or

(b) arise out of or result from any material breach of any representation or warranty made by the Trust under this Agreement or arise out of or result from any other material breach of this Agreement by the Trust.

it being understood that in no way shall the Trust be liable to the Company with respect to any violation of insurance law, compliance with which is a responsibility of the Company under this Agreement or otherwise or as to which the Company failed to inform the Trust in accordance with Section 4.4 hereof. This indemnification is in addition to any liability that the Trust may otherwise have; provided, however, that no party shall be entitled to indemnification if such loss, claim, damage or liability is caused by the willful misfeasance, bad faith, gross negligence or reckless disregard of duty by the party seeking indemnification.

9.3. INDEMNIFICATION BY THE DISTRIBUTOR. The Distributor hereby agrees to, and shall, indemnify and hold harmless the Company and each person who controls or is affiliated with the Company within the meaning of such terms under the 1933 Act or 1940 Act and any officer, director, employee or agent of the foregoing, against any and all losses, claims, damages or liabilities, joint or several (including any investigative, legal and other expenses reasonably incurred in connection with, and any amounts paid in settlement of, any action, suit or proceeding or any claim asserted), to which they or any of them may become subject under any

statute or regulation, at common law or otherwise, insofar as such losses, claims, damages, expenses or liabilities:

(a) arise out of or are based upon any untrue statement or

alleged untrue statement of any material fact contained in the Trust Registration Statement, any Prospectus for Series or Classes or sales literature or other promotional material of the Trust (or any amendment or supplement to any of the foregoing), or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they were made; provided that this obligation to indemnify shall not apply if such statement or omission or alleged statement or omission was made in reliance upon and in conformity with information furnished in writing by the Company to the Trust or Distributor for use in the Trust Registration Statement, Trust Prospectus or sales literature or promotional material for the Trust (or any amendment or supplement to any of the foregoing) or otherwise for use in connection with the sale of the Contracts or Trust shares; or

(b) arise out of any untrue statement or alleged untrue statement of a material fact contained in the Contracts Registration Statement, Contracts Prospectus or sales literature or other promotional material for the Contracts (or any amendment or supplement to any of the foregoing), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they were made, if such statement or omission or alleged statement or omission was made in reliance upon information furnished in writing by the Distributor to the Company; or

(c) arise out of or are based upon statements or representations by or on behalf of the Distributor (other than statements or representations contained in the Contracts or in the Contract or Trust Registration Statement, Contract or Trust Prospectus, or advertisements, sales literature or other promotional material of the Contracts or Trust not prepared or supplied by the Distributor or persons under its control) or wrongful conduct of the Distributor or persons under its control with respect to the sale of Trust shares or the Contracts; or

(d) arise as a result of any failure by the Distributor or persons under its control to provide services, furnish materials or make payments as required under the terms of this Agreement; or

(e) arise out of or result from any material breach by the Distributor or persons under its control of this Agreement;

(f) arise out of or result from any breach of any representation or warranty made by the Distributor in this Agreement hereof.

it being understood that in no way shall the Distributor be liable to the Company with respect to any violation of insurance law, compliance with which is a responsibility of the Company under

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this Agreement or otherwise or as to which the Company failed to inform the Distributor in accordance with Section 4.4 hereof. This indemnification is in addition to any liability that the Distributor may otherwise have; provided, however, that no party shall be entitled to indemnification if such loss, claim, damage or liability is caused by the wilful misfeasance, bad faith, gross negligence or reckless disregard of duty by the party seeking indemnification.

9.4. RULE OF CONSTRUCTION. It is the parties' intention that, in the event of an occurrence for which the Trust has agreed to indemnify the Company, the Company shall seek indemnification from the Trust only in circumstances in which the Trust is entitled to seek indemnification from a third party with respect to the same event or cause thereof.



9.5. INDEMNIFICATION PROCEDURES. After receipt by a party entitled to indemnification ("indemnified party") under this Article IX of notice of the commencement of any action, if a claim in respect thereof is to be made by the indemnified party against any person obligated to provide indemnification under this Article IX ("indemnifying party"), such indemnified party will notify the indemnifying party in writing of the commencement thereof as soon as practicable thereafter, provided that the omission to so notify the indemnifying party will not relieve the indemnifying party from any liability under this Article IX, except to the extent that the omission results in a failure of actual notice to the indemnifying party and such indemnifying party is damaged solely as a result of the failure to give such notice. The indemnifying party, upon the request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the reasonable fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless: (a) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel, or (b) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment.

A successor by law of the parties to this Agreement shall be entitled to the benefits of the indemnification contained in this Article IX. The indemnification provisions contained in this Article IX shall survive any termination of this Agreement.

ARTICLE X  
RELATIONSHIP OF THE PARTIES; TERMINATION

10.1. RELATIONSHIP OF PARTIES. The Company is an independent contractor vis-a-vis the Trust, the Distributor, or any of their affiliates for all purposes hereunder and will have no authority to act for or represent any of them (except to the limited extent the Company acts as agent of the Trust pursuant to Section 2.3(a) of this Agreement). In addition, no officer or

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employee of the Company will be deemed to be an employee or agent of the Trust, Distributor, or any of their affiliates. The Company will not act as an "underwriter" or "distributor" of Trust shares, as those terms variously are used in the 1940 Act, the 1933 Act, and rules and regulations promulgated thereunder. Likewise, the Company is not a "transfer agent" of the Trust as that term is used in the 1934 Act and rules and regulations thereunder. [Consistent with the foregoing, the Company is not a "service provider" to the Trust as that term is defined in Rule 38a-1 under the 1940 Act.] [Notwithstanding the foregoing, the Company and the Trust agree that the Company is a "service provider" to the Trust as that term is defined in Rule 38a-1 under the 1940 Act and the Company agrees to cooperate with the Trust in the Trust's efforts to comply with Rule 38a-1, including, but not limited to:

- o adopting and implementing written compliance policies and procedures reasonably designed to prevent the Company violating the federal securities laws (as defined in the Rule) in its provision of services to the Trust pursuant to this Agreement, and
- o providing copies of such written compliance policies and procedures to the Trust's chief compliance officer on an annual basis.]



10.2. NON-EXCLUSIVITY AND NON-INTERFERENCE. The parties hereto acknowledge that the arrangement contemplated by this Agreement is not exclusive; the Trust shares may be sold to other insurance companies and investors (subject to Section 2.8 hereof) and the cash value of the Contracts may be invested in other investment companies, provided, however, that until this Agreement is terminated pursuant to this Article X:

(a) the Company shall promote the Trust and the Funds made available hereunder on the same basis as other mutual funds available as investment options under the Contracts;

(b) the Company shall not, without prior notice to the Distributor (unless otherwise required by applicable law), take any action to operate the Account as a management investment company under the 1940 Act;

(c) the Company shall not, without the prior written consent of the Distributor (unless otherwise required by applicable law), solicit, induce or encourage Contract Owners to change or modify the Trust to change the Trust's distributor or investment adviser, to transfer or withdraw Contract Values allocated to a Fund, or to exchange their Contracts for contracts not allowing for investment in the Trust;

(d) the Company shall not substitute shares of another investment company for shares one or more Funds without providing written notice to the Distributor at least 90 days in advance of effecting any such substitution; and

(e) the Company shall not withdraw the Account's investment in the Trust or a Fund of the Trust except as necessary to facilitate Contract Owner requests and routine transactions in Account units.

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10.3. TERMINATION OF AGREEMENT. This Agreement shall not terminate until (a) the Trust is dissolved, liquidated, or merged into another entity, or (b) as to any Fund that has been made available hereunder, no Accounts continue to invest in that Fund and the Company has confirmed in writing to the Distributor that it no longer intends to invest in such Fund. However, certain obligations of, or restrictions on, the parties to this Agreement may terminate as provided in Sections 10.4 through 10.6 and the Company may be required to redeem Trust shares pursuant to Section 10.7 or in the circumstances contemplated by Article VIII. Article IX and Sections 5.8, and 10.8 shall survive any termination of this Agreement.

10.4. TERMINATION OF OFFERING OF TRUST SHARES. The obligation of the Trust and the Distributor to make Trust shares available to the Company for purchase pursuant to Article II of this Agreement shall terminate at the option of the Distributor upon written notice to the Company as provided below:

(a) upon institution of formal proceedings against the Company, or the Distributor's reasonable determination that institution of such proceedings is being considered by the NASD, the SEC, the insurance commission of any state or any other regulatory body regarding the Company's duties under this Agreement or related to the sale of the Contracts, the operation of the Account, the administration of the Contracts or the purchase of Trust shares, or an expected or anticipated ruling, judgment or outcome which would, in the Distributor's reasonable judgment exercised in good faith, materially impair the Company's or Trust's ability to meet and perform the Company's or Trust's obligations and duties hereunder, such termination effective upon 15 days prior written notice;

(b) in the event that any Schedule 1 Contract is not registered or in the event any of the Contracts are not otherwise issued or sold in accordance with applicable federal and/or state law, such termination effective immediately upon receipt of written notice;

(c) if the Distributor shall determine, in its sole judgment exercised in good faith, that either (1) the Company shall have suffered a material adverse change in its business or financial condition or (2) the Company shall have been the subject of material adverse publicity which is likely to have a material adverse impact upon the business and operations of either the Trust or the Distributor, such termination effective upon 30 days prior written notice;

(d) if the Distributor suspends or terminates the offering of Trust shares of any Series or Class to all Participating Investors or only designated Participating Investors, if such action is required by law or by regulatory authorities having jurisdiction or if, in the sole discretion of the Distributor acting in good faith, suspension or termination is necessary in the best interests of the shareholders of any Series or Class (it being understood that "shareholders" for this purpose shall mean Product Owners), such notice effective immediately upon receipt of written notice, it being understood that a lack of Participating Investor interest in a Series or Class may be grounds for a suspension or

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termination as to such Series or Class and that a suspension or termination shall apply only to the specified Series or Class;

(e) upon the Company's assignment of this Agreement (including, without limitation, any transfer of the Contracts or the Account to another insurance company pursuant to an assumption reinsurance agreement) unless the Trust consents thereto, such termination effective upon 30 days prior written notice;

(f) if the Company is in material breach of any provision of this Agreement, which breach has not been cured to the satisfaction of the Trust within 10 days after written notice of such breach has been delivered to the Company, such termination effective upon expiration of such 10-day period; or

(g) upon the determination of the Trust's Board to dissolve, liquidate or merge the Trust as contemplated by Section 10.3(i), upon termination of the Agreement pursuant to Section 10.3(ii), or upon notice from the Company pursuant to Section 10.5 or 10.6, such termination pursuant hereto to be effective upon 15 days prior written notice.

Except in the case of an option exercised under clause (b), (d) or (g), the obligations shall terminate only as to new Contracts and the Distributor shall continue to make Trust shares available to the extent necessary to permit owners of Contracts in effect on the effective date of such termination (hereinafter referred to as "Existing Contracts") to reallocate investments in the Trust, redeem investments in the Trust and/or invest in the Trust upon the making of additional purchase payments under the Existing Contracts.

10.5. TERMINATION BY THE COMPANY OF INVESTMENT IN A FUND. The Company may elect to cease investing in a Fund, promoting a Fund as an investment option under the Contracts, or withdraw its investment or the Account's investment in a Fund, subject to compliance with applicable law, upon 120 days written notice to the Trust, or upon written notice to the Trust within 15 days of the occurrence of any of the following events (unless provided otherwise below):

(a) if the Trust informs the Company pursuant to Section 4.4 that it will not cause such Fund to comply with investment restrictions as requested by the Company and the Trust and the Company are unable to agree upon any reasonable alternative accommodations;

(b) if shares in such Fund are not reasonably available to

meet the requirements of the Contracts as determined by the Company (including any non-availability as a result of notice given by the Distributor pursuant to Section 10.4(d)), and the Distributor, after receiving written notice from the Company of such non-availability, fails to make available, within 10 days after receipt of such notice, a sufficient number of shares in such Fund or an alternate Fund to meet the requirements of the Contracts; or

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(c) if such Fund fails to meet the diversification requirements specified in Section 817(h) of the Code and any regulations thereunder and the Trust, upon written request, fails to provide reasonable assurance that it will take action to cure or correct such failure; or

(d) if such Fund ceases to qualify as a regulated investment company under Subchapter M of the Code, as defined therein, or any successor or similar provision, or if the Company reasonably believes that the Fund may fail to so qualify, and the Trust, upon written request, fails to provide reasonable assurance that it will take action to cure or correct such failure within 30 days;

Such termination shall apply only as to the affected Fund and shall not apply to any other Fund in which the Company or the Account invests.

10.6. TERMINATION BY THE COMPANY OF INVESTMENT IN ALL FUNDS. The Company may elect to cease investing in all Series or Classes of the Trust made available hereunder, promoting the Trust as an investment option under the Contracts, or withdraw its investment or an Account's investment in the Trust, subject to compliance with applicable law, upon 180 days written notice to the Trust, or upon written notice to the Trust within 15 days of the occurrence of any of the following events (unless provided otherwise below):

(a) upon institution of formal proceedings against the Trust or the Distributor (but only with regard to the Trust) by the NASD, the SEC or any state securities or insurance commission or any other regulatory body; or

(b) if the Trust or Distributor is in material breach of a provision of this Agreement, which breach has not been cured to the satisfaction of the Company within 10 days after written notice of such breach has been delivered to the Trust or the Distributor, as the case may be.

10.7. COMPANY REQUIRED TO REDEEM. The parties understand and acknowledge that it is essential for compliance with Section 817(h) of the Code that the Contracts qualify as annuity contracts or life insurance policies, as applicable, under the Code. Accordingly, if any of the Contracts cease to qualify as annuity contracts or life insurance policies, as applicable, under the Code, or if the Trust reasonably believes that any such Contracts may fail to so qualify, the Trust shall have the right to require the Company to redeem Trust shares attributable to such Contracts upon notice to the Company and the Company shall so redeem such Trust shares in order to ensure that the Trust complies with the provisions of Section 817(h) of the Code applicable to ownership of Trust shares. Notice to the Company shall specify the period of time the Company has to redeem the Trust shares or to make other arrangements satisfactory to the Trust and its counsel, such period of time to be determined with reference to the requirements of Section 817(h) of the Code. In addition, the Company may be required to redeem Trust shares pursuant to action taken or request made by the Trust Board in accordance with the SEC Order described in Article VIII or any conditions or undertakings set forth or referenced therein, or other SEC rule, regulation or order that may be adopted after the date hereof. The Company agrees to redeem shares in the circumstances described herein and to comply with applicable terms and

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provisions. Also, in the event that the Distributor suspends or terminates the offering of a Series or Class pursuant to Section 10.4(d) of this Agreement, the Company, upon request by the Distributor, will cooperate in taking appropriate action to withdraw the Account's investment in the respective Fund.

10.8. CONFIDENTIALITY. The Company will keep confidential any information acquired as a result of this Agreement regarding the business and affairs of the Trust, the Distributor, and their affiliates.

ARTICLE XI  
APPLICABILITY TO NEW ACCOUNTS AND NEW CONTRACTS

The parties to this Agreement may amend the schedules to this Agreement from time to time to reflect, as appropriate, changes in or relating to the Contracts, any Series or Class, additions of new classes of Contracts to be issued by the Company and separate accounts therefor investing in the Trust. Such amendments may be made effective by each party acknowledging in writing its approval of a copy of the revised schedule. The provisions of this Agreement shall be equally applicable to each such class of Contracts, Series, Class or separate account, as applicable, effective as of the date of amendment of such Schedule, unless the context otherwise requires. The parties to this Agreement may amend this Agreement from time to time by written agreement signed by all of the parties.

ARTICLE XII  
NOTICE, REQUEST OR CONSENT

Any notice, request or consent to be provided pursuant to this Agreement is to be made in writing and shall be given:

If to the Trust or the Distributor:  
National Accounts  
Wells Fargo Advantage Funds  
525 Market Street, 12th Floor  
MAC A0103-123  
San Francisco, CA 94105

If to the Company:  
[Name]  
[Title]  
\_\_\_\_\_  
[Street Address] Life Insurance Company  
[City, State]

or at such other address as such party may from time to time specify in writing to the other party. Each such notice, request or consent to a party shall be sent by registered or certified United States mail with return receipt requested or by overnight delivery with a nationally recognized

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courier, and shall be effective upon receipt. Notices pursuant to the provisions of Article II may be sent by facsimile to the person designated in writing for such notices.

ARTICLE XIII  
MISCELLANEOUS

13.1. INTERPRETATION. This Agreement shall be construed and the provisions hereof interpreted under and in accordance with the laws of the state of Delaware, without giving effect to the conflicts of laws provisions thereof, subject to the following rules:

(a) This Agreement shall be subject to the provisions of the 1933 Act, 1940 Act and Securities Exchange Act of 1934, as amended, and the rules, regulations and rulings thereunder, including the SEC Order

and such other exemptions from those statutes, rules, and regulations as the SEC may grant, and the terms hereof shall be limited, interpreted and construed in accordance therewith.

(b) The captions in this Agreement are included for convenience of reference only and in no way define or delineate any of the provisions hereof or otherwise affect their construction or effect.

(c) If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of the Agreement shall not be affected thereby.

(d) The rights, remedies and obligations contained in this Agreement are cumulative and are in addition to any and all rights, remedies and obligations, at law or in equity, which the parties hereto are entitled to under state and federal laws.

13.2. COUNTERPARTS. This Agreement may be executed simultaneously in two or more counterparts, each of which together shall constitute one and the same instrument.

13.3. NO ASSIGNMENT. Neither this Agreement nor any of the rights and obligations hereunder may be assigned by the Company, the Distributor or the Trust without the prior written consent of the other parties.

13.4. DECLARATION OF TRUST. A copy of the Declaration of Trust of the Trust is on file with the Secretary of State of the state of Delaware, and notice is hereby given that this Agreement is executed on behalf of the Trustees of the Trust as trustees, and is not binding upon any of the Trustees, officers or shareholders of the Trust individually, but binding only upon the assets and property of the Trust. No Series of the Trust shall be liable for the obligations of any other Series of the Trust.

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IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in its name and behalf by its duly authorized officer on the date specified below.

WELLS FARGO VARIABLE TRUST  
(Trust)

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Name:  
Title:

WELLS FARGO FUNDS DISTRIBUTORS, LLC  
(Distributor)

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_ LIFE INSURANCE COMPANY  
(Company)

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Name:  
Title:

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SCHEDULE 1

Registered Accounts of the Company  
Investing in the Trust

Effective as of the date the Agreement was executed, the following separate accounts of the Company are subject to the Agreement:

<TABLE>  
<CAPTION>

Name of Account	Date Established by Board of Directors of the Company	SEC 1940 Act Registration Number	Type of Product Supported by Account
<S>	<C>	<C>	<C>

</TABLE>

Classes of Contracts  
Supported by Separate Accounts  
Listed on Schedule 1

Effective as of the date the Agreement was executed, the following classes of Contracts are subject to the Agreement:

<TABLE>  
<CAPTION>

Marketing Name	SEC 1933 Act Registration Number	Contract Form Number	Annuity or Life
<S>	<C>	<C>	<C>

</TABLE>

S-1

SCHEDULE 2

Qualified Plan Accounts of the Company  
Investing in the Trust

Effective as of the date the Agreement was executed, the following separate accounts of the Company are subject to the Agreement:

Name of Account	Date Established by Board of Directors of the Company	Type of Product Supported by Account
-----------------	---	--------------------------------------

Classes of Contracts  
Supported by Separate Accounts  
Listed on Schedule 2

Effective as of the date the Agreement was executed, the following classes of Contracts are subject to the Agreement:

Marketing Name	Contract Form Number	Annuity or Life

S-2

SCHEDULE 3

Private Placement Accounts of the Company  
Investing in the Trust

Effective as of the date the Agreement was executed, the following separate accounts of the Company are subject to the Agreement:

Name of Account	Date Established by Board of Directors of the Company	Type of Product Supported by Account

Classes of Contracts  
Supported by Separate Accounts  
Listed on Schedule 3

Effective as of the date the Agreement was executed, the following classes of Contracts are subject to the Agreement:

Marketing Name	Contract Form Number	Annuity or Life

S-3

SCHEDULE 4  
Trust Share Series and Classes  
Available Under  
Each Class of Contracts

Effective as of the date the Agreement was executed, the following Trust Classes and Series are available under the Contracts:

Contract Marketing Name	Fund/Series -- Share Classes



AMENDMENT TO FUND  
PARTICIPATION AGREEMENT

AMONG

PIONEER VARIABLE CONTRACTS TRUST,  
PIONEER INVESTMENT MANAGEMENT, INC.,  
PIONEER FUNDS DISTRIBUTOR, INC.,

and

JEFFERSON NATIONAL LIFE INSURANCE COMPANY

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree to amend the May 1, 2003 Fund Participation Agreement among Pioneer Variable Contracts Trust (the "Trust"), Pioneer Investment Management, Inc. ("PIM"), Pioneer Funds Distributor, Inc. ("PFD"), and Jefferson National Life Insurance Company (formerly Conesco Variable Insurance Company) (the "Insurance Company") as follows:

1. Schedule A thereto is hereby modified in its entirety to read as SCHEDULE A attached hereto.
2. All other terms of the Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed in its name and on its behalf by its duly authorized representative as of this date, May 1, 2005.

PIONEER VARIABLE CONTRACTS TRUST

By: /s/

-----  
Name:  
Title:

PIONEER INVESTMENT MANAGEMENT, INC.

By: /s/

-----  
Name:  
Title:

PIONEER FUNDS DISTRIBUTOR, INC.

By: /s/

-----  
Name:  
Title:

JEFFERSON NATIONAL LIFE INSURANCE  
COMPANY

By: /s/

-----  
Name:  
Title:

SCHEDULE A

ACCOUNTS, CONTRACTS AND PORTFOLIOS  
SUBJECT TO THE PARTICIPATION AGREEMENT  
As of May 1, 2003

<TABLE>  
<CAPTION>

NAME OF SEPARATE ACCOUNT AND DATE ESTABLISHED BY BOARD OF DIRECTORS	CONTRACTS FUNDED BY SEPARATE ACCOUNT	PORTFOLIOS AND CLASS OF SHARES AVAILABLE TO CONTRACTS
<S>	<C>	<C>
Jefferson National Life Annuity Account C 1980	CVIC-2000	PIONEER FUND VCT PORTFOLIO (CLASS II)
Jefferson National Life Annuity Account E November 12, 1993	CVIC-2001	
Jefferson National Life Annuity Account F September 26, 1997	CVIC-2004	PIONEER EQUITY INCOME VCT PORTFOLIO (CLASS II)
Jefferson National Life Annuity Account G January 18, 1996	CVIC-2005	
Jefferson National Life Annuity Account H November 1, 1999	22-4056	
Jefferson National Life Annuity Account I August 23, 2000	22-4025	PIONEER EUROPE VCT PORTFOLIO (CLASS II)
Jefferson National Variable Account L February 22, 2000	32-4000	
Jefferson National Life Annuity Account J November 3, 2003	32-4002	
Jefferson National Life Annuity Account K November 3, 2003	32-4003	PIONEER CORE BOND VCT PORTFOLIO (CLASS II)
	22-4047	
	22-4048	
	22-4061	PIONEER HIGH YIELD VCT PORTFOLIO (CLASS II)
	JNL-2100	
	JNL-2200	PIONEER MONEY MARKET VCT PORTFOLIO (CLASS I)
	JNL-2300	
		PIONEER MID CAP VALUE VCT PORTFOLIO (CLASS II)

</TABLE>

AMENDMENT TO FUND  
PARTICIPATION AGREEMENT

AMONG

PIMCO VARIABLE INSURANCE TRUST,

PIMCO ADVISORS DISTRIBUTORS LLC,

and

JEFFERSON NATIONAL LIFE INSURANCE COMPANY

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree to amend the May 1, 2003 Fund Participation Agreement among PIMCO Variable Insurance Trust (the "Fund"), a Delaware business trust, PIMCO Advisors Distributors LLC (the "Underwriter") and Jefferson National Life Insurance Company as follows:

1. Schedule A thereto is hereby modified in its entirety to read as set forth in SCHEDULE A attached hereto.

2. All other terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed in its name and on its behalf by its duly authorized representative as of this date, May 1, 2005.

PIMCO VARIABLE INSURANCE TRUST

By: \_\_\_\_\_  
Name:  
Title:

PIMCO ADVISORS DISTRIBUTORS LLC

By: \_\_\_\_\_  
Name:  
Title:

JEFFERSON NATIONAL LIFE INSURANCE  
COMPANY

By: \_\_\_\_\_  
Name:  
Title:

Page 2 of 3

SCHEDULE A

PIMCO VARIABLE INSURANCE TRUST PORTFOLIOS:

Real Return Portfolio  
Total Return Portfolio  
Money Market Portfolio  
Short Term Portfolio

SEGREGATED ASSET ACCOUNTS:

FORM:

Jefferson National Life Annuity Account C	22-4025 (Individual) 32-4000 (Group)
Jefferson National Life Annuity Account E	22-4047/32-4003 (Achievement) 22-4048/32-4002 (Educator)
Jefferson National Life Annuity Account F	22-4061
Jefferson National Life Annuity Account G	22-4056 JNL-2300
Jefferson National Life Annuity Account H	CVIC-2000 or -2001 (state specific)
Jefferson National Life Annuity Account I	CVIC-2004 or -2005 (state specific)
Jefferson National Life Annuity Account J	JNL-2100
Jefferson National Life Annuity Account K	JNL-2200
Jefferson National Variable Account L	

Page 3 of 3

AMENDMENT NO. 8 TO FUND PARTICIPATION AGREEMENT

THIS AMENDMENT NO. 8 TO FUND PARTICIPATION AGREEMENT ("Amendment") is made as of this 1st day of May, 2005, by and between JEFFERSON NATIONAL LIFE INSURANCE COMPANY ("Company"), AMERICAN CENTURY INVESTMENT MANAGEMENT, INC. ("Distributor") and AMERICAN CENTURY INVESTMENT SERVICES, INC. ("ACIS"). Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement (defined below).

RECITALS

WHEREAS, the Company and ACIS are parties to a certain Fund Participation Agreement dated April 30, 1997, as amended November 15, 1997, December 31, 1997, January 13, 2000, February 9, 2001, July 31, 2003, March 26, 2004 and March 29, 2004 (the "Agreement") in connection with the participation of the Funds in Contracts offered by the Company; and

WHEREAS, the parties desire to supplement the Agreement as provided herein to amend Schedule A as attached hereto.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties hereto agree as follows:

1. Schedule A thereto is hereby modified in its entirety to read as attached hereto:
2. COUNTERPARTS. This Amendment may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one instrument.
3. FULL FORCE AND EFFECT. Except as expressly supplemented, amended or consented to hereby, all of the representations, warranties, terms, covenants and conditions of the Agreement shall remain unamended and shall continue to be in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Amendment No. 7 as of the date first above written.

JEFFERSON NATIONAL LIFE INSURANCE COMPANY  
 By: \_\_\_\_\_  
 Name: Craig A. Hawley  
 Title: General Counsel and Secretary

AMERICAN CENTURY INVESTMENT SERVICES, INC.  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

AMERICAN CENTURY  
 INVESTMENT MANAGEMENT, INC.  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

SCHEDULE A

ACCOUNTS, CONTRACTS AND PORTFOLIOS  
 SUBJECT TO THE PARTICIPATION AGREEMENT

<TABLE>  
 <CAPTION>

NAME OF SEPARATE ACCOUNT AND DATE ESTABLISHED BY BOARD OF DIRECTORS	CONTRACTS FUNDED BY SEPARATE ACCOUNT	PORTFOLIOS AND CLASS OF SHARES AVAILABLE TO CONTRACTS
<S>	<C>	<C>
Jefferson National Life Annuity Account C	1980	CVIC-2000
Jefferson National Life Annuity Account E	November 12, 1993	CVIC-2001
Jefferson National Life Annuity Account F	September 26, 1997	CVIC-2004
Jefferson National Life Annuity Account G	January 18, 1996	CVIC-2005
Jefferson National Life Annuity Account H	November 1, 1999	22-4056
		VP INCOME & GROWTH FUND (CLASS I)
		VP INFLATION PROTECTION FUND (CLASS II)

Jefferson National Life Annuity Account I	August 23, 2000	22-4025	
Jefferson National Variable Account L	February 22, 2000	32-4000	VP INTERNATIONAL FUND (CLASS I)
Jefferson National Life Annuity Account J	November 3, 2003	32-4002	
Jefferson National Life Annuity Account K	November 3, 2003	32-4003	
		22-4047	VP VALUE FUND (CLASS I)
		22-4048	
		22-4061	VP BALANCED FUND (CLASS I)
		JNL-2100	
		JNL-2200	
		JNL-2300	

</TABLE>

AMENDMENT TO FUND  
PARTICIPATION AGREEMENT  
AMONG  
NEUBERGER BERMAN ADVISERS MANAGEMENT TRUST,  
NEUBERGER BERMAN MANAGEMENT, INC.,  
and  
JEFFERSON NATIONAL LIFE INSURANCE COMPANY

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree to amend the April 30, 1997 Fund Participation Agreement, as amended, among Neuberger Berman Advisers Management Trust, Neuberger Berman Management, Inc. and Jefferson National Life Insurance Company (the "Insurance Company") as follows:

1. Appendix A and B thereto are hereby modified in their entirety as attached hereto.
2. All other terms of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed in its name and on its behalf by its duly authorized representative as of this date, May 1, 2005.

NEUBERGER BERMAN ADVISERS MANAGEMENT TRUST

By: \_\_\_\_\_  
Name:  
Title:

NEUBERGER BERMAN MANAGEMENT, INC.

By: \_\_\_\_\_  
Name:  
Title:

Page 1 of 4

JEFFERSON NATIONAL LIFE INSURANCE  
COMPANY

By: \_\_\_\_\_  
Name: Craig A. Hawley  
Title: General Counsel and Secretary

APPENDIX A

AMT Fasciano Portfolio (Class S)  
AMT High Income Bond Portfolio  
AMT Limited Maturity Bond Portfolio  
AMT Midcap Growth Portfolio  
AMT Partners Portfolio  
AMT Regency Portfolio  
AMT Socially Responsive Portfolio

APPENDIX B

SEPARATE ACCOUNTS:	FORM:
Jefferson National Life Annuity Account C	22-4025 (Individual) 32-4000 (Group)
Jefferson National Life Annuity Account E	22-4047/32-4003 (Achievement) 22-4048/32-4002 (Educator)
Jefferson National Life Annuity Account F	22-4061
Jefferson National Life Annuity Account G	22-4056 JNL-2300
Jefferson National Life Annuity Account H	CVIC-2000 or -2001 (state specific)
Jefferson National Life Annuity Account I	CVIC-2004 or -2005 (state specific)



Jefferson National Life Annuity Account J JNL-2100

Jefferson National Life Annuity Account K JNL-2200

Jefferson National Variable Account L

Page 4 of 4

PARTICIPATION AGREEMENT

BETWEEN

JEFFERSON NATIONAL LIFE INSURANCE COMPANY

AND

RAFFERTY ASSET MANAGEMENT, LLC

AND

THE POTOMAC INSURANCE TRUST

THIS AGREEMENT, dated as of the 1st day of May 1, 2005 by and between Jefferson National Life Insurance Company (the "Company"), a Texas stock life insurance company, on its own behalf and on behalf of each segregated asset account of the Company set forth on Schedule A hereto, as may be amended from time to time (each account hereinafter referred to as the "Account"), Rafferty Asset Management, LLC (the "Adviser") and The Potomac Insurance Trust (the "Trust").

WHEREAS, the Trust engages in business as an open-end management investment company and is available to act as the investment vehicle for separate accounts established for variable life insurance and variable annuity contracts (the "Variable Insurance Products") to be offered by insurance companies ("Participating Insurance Companies");

WHEREAS, the shares of beneficial interest of the Trust are divided into several series of shares, each designated a "Portfolio" and representing the interest in a particular managed portfolio of securities and other assets;

WHEREAS, the Trust is registered as an open-end management investment company under the Investment Company Act of 1940, as amended (the "1940 Act") and shares of the Portfolio are registered under the Securities Act of 1933, as amended (the "1933 Act");

WHEREAS, the Trust has obtained an order (VARIABLE INSURANCE FUNDS, ET AL., Investment Company Act Rel. No. 23594 (Dec. 10, 1998)) from the Securities and Exchange Commission ("SEC") granting Participating Insurance Companies and their separate accounts exemptions from the provisions of Sections 9(a), 13(a) and 15(b) of the 1940 Act, and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder, to the extent necessary to permit shares of the Trust to be sold to and held by variable annuity and variable life insurance separate accounts of both affiliated and unaffiliated life insurance companies and certain qualified pension and retirement plans, among others (the "Exemptive Order"), the terms of which qualify, in its entirety, the terms of this Agreement;

WHEREAS, the Company has issued or will issue certain variable life

insurance and/or variable annuity contracts supported wholly or partially by the Account (the "Contracts"), and said Contracts are listed in Schedule A hereto, as it may be amended from time to time by mutual written agreement;

WHEREAS, the Account is duly established and maintained as a segregated asset account by the Company to set aside and invest assets attributable to the aforesaid Contracts; and

WHEREAS, to the extent permitted by applicable insurance laws and regulations, the Company intends to purchase shares in the Portfolios managed by the Adviser and listed in Schedule A hereto, as it may be amended from time to time by mutual written agreement (the "Designated Portfolios"), on behalf of the Account to fund the aforesaid Contracts;

WHEREAS, the Adviser serves as investment adviser to the Designated Portfolios; and

NOW, THEREFORE, in consideration of their mutual promises, the Company and the Adviser agree as follows:

#### ARTICLE I. SALE AND REDEMPTION OF TRUST SHARES

1.1. The Trust has agreed to make to the Company, for purchase on behalf of any Account, Trust shares of the Designated Portfolios. The Trust agrees to make available to the Company for purchase on behalf of the Account, shares of the Designated Portfolios, such purchases to be effected at net asset value in accordance with Section 1.3 of this Agreement. Notwithstanding the foregoing, (i) Portfolios (other than those listed on Schedule A) in existence now or that may be established in the future will be made available to the Company only as the Trust may so provide, and (ii) the Board of Trustees of the Trust (the "Board") may suspend or terminate the offering of shares of any Designated Portfolio or class thereof, if such action is required by law or by regulatory authorities having jurisdiction or if, in the sole discretion of the Board acting in good faith and in light of its fiduciary duties under federal and any applicable state laws, suspension or termination is necessary in the best interests of the shareholders of such Designated Portfolio. The Trust reserves the right, upon prior written notice to the Company (given at the earliest practicable time), to take all actions, including but not limited to, the dissolution, reorganization, liquidation, merger or sale of all assets of the Trust or any Portfolio upon the sole authorization of the Board, acting in good faith.

1.2. The Trust shall accept for redemption, at the Company's request, any full or fractional Designated Portfolio shares held by the Company on behalf of the Account, such redemptions to be effected at net asset value in accordance with Section 1.3 of this Agreement. Notwithstanding the foregoing, (i) the Company shall not redeem Trust shares attributable to Contract owners except in the circumstances permitted in Section 10.3 of this Agreement, and (ii) the Trust may delay redemption of such shares of any Designated Portfolio to the

extent permitted by the 1940 Act and any rules, regulations or orders thereunder.

### 1.3. Purchase and Redemption Procedures

(a) For purposes of Sections 1.1 and 1.2, the Company shall be an agent of the Trust for the limited purpose of receiving and accepting purchase and redemption requests on behalf of the Account (but not with respect to any Trust shares that may be held in the general account of the Company) for shares of those Designated Portfolios made available hereunder, based on allocations of amounts to the Account or subaccounts thereof under the Contracts and other transactions relating to the Contracts or the Account. Receipt and acceptance of any such request (or relevant transactional information therefor) on any day the New York Stock Exchange, Inc. is open for trading and on which a Designated Portfolio calculates its net asset value (a "Business Day") pursuant to the rules of the SEC by the Company as such limited agent of the Trust prior to the time that the Trust ordinarily calculates its net asset value as described from time to time in each Designated Portfolio's prospectus shall constitute receipt and acceptance by the Designated Portfolio on that same Business Day, provided that the Trust or its agent receives notice of in good form PRIOR to the 2:00 p.m. Eastern Time ("Trading Notice Deadline"). The Trust reserves the right to change the Trading Notice Deadlines and other trading instructions from time-to-time by providing Company with reasonable prior written notice.

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(b) The Company shall pay for shares of each Designated Portfolio on the Business Day following the day that it notifies the Trust or its agent of a purchase request for such shares. Payment for Designated Portfolio shares shall be made in federal funds transmitted to the Trust or other designated person by wire to be received by 2:00 p.m. Eastern Time on the day the Trust is notified of the purchase request for Designated Portfolio shares (which request may be net of redemptions of shares). If federal funds are not received on time, such funds will be invested, and Designated Portfolio shares purchased thereby will be issued, as soon as practicable and the Company shall promptly, upon the Trust's request, reimburse the Trust, as appropriate, for any charges, costs, fees, interest or other expenses incurred by the Trust in connection with any advances to, or borrowing or overdrafts by, the Trust, or any similar expenses incurred by the Trust, as a result of portfolio transactions effected by the Trust based upon such purchase request. Upon receipt of federal funds so wired, such funds shall cease to be the responsibility of the Company and shall become the responsibility of the Trust.

(c) Payment for Designated Portfolio shares redeemed by the Account or the Company shall be made in federal funds transmitted by wire to the Company or any other designated person on the next Business Day after the Trust or its agent is properly notified of the redemption order of such shares (which order shall be net of any purchase orders), except that the Trust may redeem Designated Portfolio shares in assets other than cash and delay payment of

redemption proceeds to the extent permitted under Section 22(e) of the 1940 Act and any rules thereunder, and in accordance with the procedures and policies of the Trust as described in the then current prospectus and/or statement of additional information ("SAI"). The Trust shall not bear any responsibility whatsoever for the proper disbursement or crediting of redemption proceeds by the Company, the Company alone shall be responsible for such action.

(d) Any purchase or redemption request for Designated Portfolio shares held or to be held in the Company's general account shall be effected at the net asset value per share next determined after the receipt and acceptance of such request by the Trust or its agent, provided that, in the case of a purchase request, payment for Trust shares so requested is received by the Trust in federal funds prior to close of business for determination of such value, as defined from time to time in each Designated Portfolio's prospectus.

(e) The Company shall not redeem Trust shares attributable to the Contracts (as opposed to Trust shares attributable to the Company's assets held in the Account) except (i) as necessary to implement Contract owner initiated or approved transactions, (ii) as required by state and/or federal laws or regulations or judicial or other legal precedent of general application (hereinafter referred to as a "Legally Required Redemption"), (iii) upon 45 days prior written notice to the Trust and Adviser, as permitted by an order of the SEC pursuant to Section 26(c) of the 1940 Act, but only if a substitution of other securities for the shares of the Designated Portfolios is consistent with the terms of the Contracts, or (iv) as permitted under the terms of the Contract. Upon request, the Company will promptly furnish to the Trust reasonable assurance that any redemption pursuant to clause (ii) above is a Legally Required Redemption. Furthermore, except in cases where permitted under the terms of the Contracts, the Company shall not prevent Contract owners from allocating payments to a Designated Portfolio that was otherwise available under the Contracts without first giving the Trust 45 days notice of its intention to do so.

1.4. The Trust shall use its best efforts to make the net asset value per share for each Designated Portfolio available to the Company by 6:30 p.m. Eastern Time each Business Day, and in any event, as soon as reasonably practicable after the net asset value per share for such Designated Portfolio is calculated, and the Trust shall calculate such net asset value in accordance with the Trust's prospectus. Neither the Trust, any Designated Portfolio, the Adviser, nor any of their affiliates shall be liable for any information provided to the Company pursuant to this Agreement, or any loss resulting from such information, if such information is based on incorrect information supplied by the Company or any other Participating Insurance Company to the Trust or the Adviser.

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1.5. The Trust or its agent shall furnish notice (by wire or telephone

followed by written confirmation) to the Company as soon as reasonably practicable of any income dividends or capital gain distributions payable on any Designated Portfolio shares. The Company, on its behalf and on behalf of the Account, hereby elects to receive all such dividends and distributions as are payable on any Designated Portfolio shares in the form of additional shares of that Designated Portfolio. The Company reserves the right, on its behalf and on behalf of the Account, to revoke this election and to receive all such dividends and capital gain distributions in cash. The Trust or its agent shall notify the Company promptly of the number of Designated Portfolio shares so issued as payment of such dividends and distributions.

1.6. Issuance and transfer of Trust shares shall be by book entry only. Share certificates will not be issued to the Company or the Account. Purchase and redemption orders for Trust shares shall be recorded in an appropriate ledger for the Account or the appropriate subaccount of the Account.

1.7. (a) The parties hereto acknowledge that the arrangement contemplated by this Agreement is not exclusive; the Trust's shares may be sold to other insurance companies (subject to Section 1.8 hereof) and the cash value of the Contracts may be invested in other investment companies, provided, however, that until this Agreement is terminated pursuant to Article X, the Company shall promote the Designated Portfolios on the same basis as other funding vehicles available under the Contracts. Unless otherwise agreed between the Company and the Adviser, funding vehicles other than those listed on Schedule A to this Agreement may be available for the investment of the cash value of the Contracts, provided, however, (i) any such vehicle or series thereof, has investment objectives or policies that are substantially different from the investment objectives and policies of the Designated Portfolios available hereunder; (ii) the Company gives the Adviser 45 days written notice of its intention to make such other investment vehicle available as a funding vehicle for the Contracts; and (iii) unless such other investment company was available as a funding vehicle for the Contracts prior to the date of this Agreement and the Company has so informed the Adviser prior to their signing this Agreement, the Adviser consents in writing to the use of such other vehicle, such consent not to be unreasonably withheld.

(b) The Company shall not, without prior notice to the Trust (unless otherwise required by applicable law), take any action to operate the Account as a management investment company under the 1940 Act.

(c) The Company shall not, without prior notice to the Adviser and the Trust (unless otherwise required by applicable law), induce Contract owners to change or modify the Trust or change the Trust's investment adviser.

(d) The Company shall not, without prior notice to the Trust, induce Contract owners to vote on any matter submitted for consideration by the shareholders of the Trust in a manner other than as recommended by the Board.

1.8. The Company acknowledges that, pursuant to Form 24F-2, the Trust is not required to pay fees to the SEC for registration of its shares under the 1933 Act with respect to its shares issued to an Account that is a unit

investment trust that offers interests that are registered under the 1933 Act and on which a registration fee has been or will be paid to the SEC (a "Registered Account"). The Company agrees to provide the Trust each year within 60 days of the end of the Trust's fiscal year, or when reasonably requested by the Trust, information as to the number of shares purchased by a Registered Account and any other Account the interests of which are not registered under the 1933 Act. The Company acknowledges that the Trust intends to rely on the information so provided and represents and warrants that such information shall be accurate.

## ARTICLE II. REPRESENTATIONS AND WARRANTIES

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2.1. The Trust represents and warrants that (i) the Trust is lawfully organized and validly existing under the laws of the Commonwealth of Massachusetts, (ii) the Trust is and shall remain registered under the 1940 Act, (iii) the Trust does and will comply in all material respects with the 1940 Act, (iv) Designated Portfolio shares sold pursuant to this Agreement are registered under the 1933 Act (to the extent required by that Act) and are duly authorized for issuance, (v) the Trust shall amend the registration statement for the shares of the Designated Portfolios under the 1933 Act and the 1940 Act from time to time as required in order to effect the continuous offering of such shares, (vi) the Board has elected for each Designated Portfolio to be taxed as a Regulated Investment Company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), and (v) shares of the Designated Portfolios will be sold only to Participating Insurance Companies and their separate accounts and to persons or plans that communicate to the Trust that they qualify to purchase shares of the Designated Portfolios under Section 817(h) of the Code and the regulations thereunder without impairing the ability of the Account to consider the portfolio investments of the Designated Portfolios as constituting investments of the Account for the purpose of satisfying the diversification requirements of Section 817(h) ("Qualified Persons"). The Trust makes no representations or warranties as to whether any aspect of the Designated Portfolios' operations, including, but not limited to, investment policies, fees and expenses, complies with the insurance laws and other applicable laws of the various states.

2.2. Reserved.

2.3. Subject to Company's representations and warranties in Sections 2.5 and 2.6, the Adviser represents and warrants that it will invest the assets of each Designated Portfolio in such a manner as to ensure that the Contracts will be treated as annuity or life insurance contracts, whichever is appropriate, under the Code and the regulations issued thereunder (or any successor provisions). Without limiting the scope of the foregoing, the Adviser represents and warrants that each Designated Portfolio has complied and will continue to comply with Section 817(h) of the Code and Treasury Regulation ss.1.817-5, and any Treasury interpretations thereof, relating to the



diversification requirements for variable annuity, endowment, or life insurance contracts, and any amendments or other modifications or successor provisions to such Section or Regulation. The Adviser will make every reasonable effort (a) to notify the Company immediately upon having a reasonable basis for believing that a breach of this Section 2.3 has occurred, and (b) in the event of such a breach, to adequately diversify the Designated Portfolio so as to achieve compliance within the grace period afforded by Treasury Regulation ss.1.817-5.

2.4. The Adviser represents and warrants that each Designated Portfolio is or will be qualified as a Regulated Investment Company under Subchapter M of the Code, that the Adviser will make every reasonable effort to maintain such qualification (under Subchapter M or any successor or similar provisions) and that the Adviser will notify the Company immediately upon having a reasonable basis for believing that a Designated Portfolio has ceased to so qualify or that it might not so qualify in the future.

2.5. The Company represents and warrants that the Contracts (a) are, or prior to issuance will be, registered under the 1933 Act, or (b) are not registered because they are properly exempt from registration under the 1933 Act or will be offered exclusively in transactions that are properly exempt from registration under the 1933 Act. The Company further represents and warrants that the Contracts will be issued and sold in compliance in all material respects with all applicable federal securities and state securities and insurance laws and that the sale of the Contracts shall comply in all material respects with state insurance suitability requirements. The Company further represents and warrants that it is an insurance company duly organized and in good standing under applicable law, that it has legally and validly established the Account prior to any issuance or sale thereof as a segregated asset account under Texas insurance laws, and that it (a) has registered or, prior to any issuance or sale of the Contracts, will register the Account as a unit investment trust in accordance with the provisions of the 1940 Act to serve as a

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segregated investment account for the Contracts, or alternatively (b) has not registered the Account in proper reliance upon an exclusion from registration under the 1940 Act. The Company also represents and warrants that it and the Account are Qualified Persons. The Company shall register and qualify the Contracts or interests therein as securities in accordance with the laws of the various states only if and to the extent required by applicable law.

2.6. The Company represents and warrants that the Contracts are currently, and at the time of issuance shall be, treated as life insurance or annuity contracts, under applicable provisions of the Code, and that it will make every reasonable effort to maintain such treatment, and that it will notify the Adviser immediately upon having a reasonable basis for believing the Contracts have ceased to be so treated or that they might not be so treated in the future. In addition, Company represents and warrants that each of its



Accounts is a "segregated asset account" and that interests in the Accounts are offered exclusively through the purchase of or transfer into a "variable contract" within the meaning of such terms under Section 817 of the Code and the regulations thereunder. Company will use every reasonable effort to continue to meet such definitional requirements, and it will notify the Trust and the Adviser immediately upon having a reasonable basis for believing that such requirements have ceased to be met or that they might not be met in the future.

2.7. The Adviser represents and warrants that it is registered as an investment adviser with the SEC.

2.8. The Trust represents and warrants that all of its trustees, officers, employees, and other individuals or entities dealing with the money and/or securities of the Trust are and shall continue to be at all times covered by a blanket fidelity bond or similar coverage for the benefit of the Trust in an amount not less than the minimum coverage as required currently by Rule 17g-1 of the 1940 Act or related provisions as may be promulgated from time to time. The aforesaid bond shall include coverage for larceny and embezzlement and shall be issued by a reputable bonding company.

2.9. The Company represents and warrants that all of its directors, officers, employees, and other individuals/entities employed or controlled by the Company dealing with the money and/or securities of the Account are covered by a blanket fidelity bond or similar coverage for the benefit of the Account, in an amount not less than \$5 million. The aforesaid bond includes coverage for larceny and embezzlement and is issued by a reputable bonding company. The Company agrees to hold for the benefit of the Trust and to pay to the Trust any amounts lost from larceny, embezzlement or other events covered by the aforesaid bond to the extent such amounts properly belong to the Trust pursuant to the terms of this Agreement. The Company agrees to make all reasonable efforts to see that this bond or another bond containing these provisions is always in effect, and agrees to notify the Trust and the Adviser in the event that such coverage no longer applies.

### ARTICLE III. VOTING

3.1. The Company shall:

- (i) solicit voting instructions from Contract owners;
- (ii) vote Trust shares in accordance with instructions received from Contract owners; and
- (iii) vote Trust shares for which no instructions have been received in the same proportion as Trust shares of such portfolio for which instructions have been received,

so long as and to the extent that the SEC continues to interpret the 1940 Act to require pass-through voting privileges for variable contract owners or to the extent otherwise required by law. The Company will vote Trust shares held in any segregated asset account in the same proportion as Trust shares of such Designated Portfolio for which voting instructions have been received from Contract owners, to the extent permitted by law.

3.2. Participating Insurance Companies shall be responsible for assuring that each of their separate accounts participating in a Designated Portfolio calculates voting privileges as required by the Exemptive Order and consistent with any reasonable standards that the Trust may adopt and provide in writing.

#### ARTICLE IV. PROSPECTUSES AND PROXY STATEMENTS

4.1. The Trust or its agent shall provide the Company with as many copies of the Trust's current prospectus (describing only the Designated Portfolios listed on Schedule A), any supplements thereto or, to the extent permitted and requested by Company, the Trust's profiles as the Company may reasonably request. If requested by the Company in lieu thereof, the Trust or its agent shall provide such documentation (including a "camera ready" final copy of such documentation on diskette) and other assistance as is reasonably necessary in order for the Company once each year (or more frequently if the prospectus for the Trust is amended) to have the prospectus for the Contracts and the Trust's prospectus or profile printed together in one or more documents. The Trust agrees to cooperate with Company to provide the documents on a timely basis to meet Company's reasonable deadline requirements for production.

4.2. The Trust or its agent shall provide the Company with information regarding the Designated Portfolios' expenses, which information may include a table of fees and related narrative disclosure for use in any prospectus or other descriptive document relating to a Contract. The Company shall provide prior written notice of any proposed modification of such information, which notice will describe in detail the manner in which the Company proposes to modify the information, agrees to provide the Trust or its agent with an opportunity to review such proposed modification prior to its use by the Company, and agrees not to use the proposed modification without the consent of the Trust or its agent, which consent shall not be unreasonably withheld.

4.3. The Trust or its agent shall provide the Company with copies of the Designated Portfolios' proxy material, reports to shareholders (describing only the Designated Portfolios listed on Schedule A), and other communications to shareholders (each, a "Shareholder Communication") in such quantity as the Company shall reasonably require for distributing to Contract owners. If requested by the Company in lieu thereof, the Trust or its agent shall provide Shareholder Communications in "camera ready" format on diskette. The Trust agrees to cooperate with Company to provide such Shareholder Communications on a timely basis to meet Company's reasonable deadline requirements for production and delivery.

5.1. The Company shall furnish, or shall cause to be furnished, to the Adviser each piece of sales literature or other promotional material that the Company develops and in which the Trust (or a Designated Portfolio thereof) or the Adviser is named. No such material shall be used until approved by the Adviser, and the Adviser will use its reasonable best efforts to review such sales literature or promotional material within ten Business Days after receipt of such material. The Adviser reserves the right to reasonably object to the continued use of any such sales literature or other promotional material in which the Trust (or a Designated Portfolio thereof) or the Adviser is named, and no such material shall be used if the Adviser so objects.

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5.2. The Company shall not give any information or make any representations or statements on behalf of the Trust or concerning the Trust or the Adviser in connection with the sale of the Contracts other than the information or representations contained in the registration statement or prospectus or SAI for the Trust shares, as such registration statement and prospectus or SAI may be amended or supplemented from time to time, or in reports or proxy statements for the Trust, or in sales literature or other promotional material approved by the Adviser, except with the permission of the Trust or its designee.

5.3. Each of the Trust or the Advisor or its respective designee, shall furnish, or cause to be furnished, to the Company, each piece of sales literature or other promotional material that it develops and in which the Company, and/or its Account, is named. No such material shall be used until approved by the Company, and the Company will use its best efforts to review such sales literature or promotional material within ten Business Days after receipt of such material. The Company reserves the right to reasonably object to the continued use of any such sales literature or other promotional material in which the Company and/or its Account is named, and no such material shall be used if the Company so objects.

5.4. The Trust shall not give any information or make any representations on behalf of the Company or concerning the Company, the Account, or the Contracts other than the information or representations contained in a registration statement, prospectus (which shall include an offering memorandum, if any, if the Contracts issued by the Company or interests therein are not registered under the 1933 Act), or SAI for the Contracts, as such registration statement, prospectus, or SAI may be amended or supplemented from time to time, or in published reports for the Account which are in the public domain or approved by the Company for distribution to Contract owners, or in sales literature or other promotional material approved by the Company or its designee, except with the permission of the Company.

5.5. The Trust will provide to the Company at least one complete copy of all registration statements, prospectuses, SAIs, reports, proxy statements, sales literature and other promotional materials, applications for exemptions, requests for no-action letters, and all amendments to any of the above, that relate to the Designated Portfolios or their shares, promptly after the filing of such document(s) with the SEC or other regulatory authorities.

5.6. The Company will provide to the Trust at least one complete copy of all registration statements, prospectuses (which shall include an offering memorandum, if any, if the Contracts issued by the Company or interests therein are not registered under the 1933 Act), SAIs, reports, solicitations for voting instructions, sales literature and other promotional materials, applications for exemptions, requests for no-action letters, and all amendments to any of the above, that relate to the Contracts or the Account, promptly after the filing of such document(s) with the SEC or other regulatory authorities. The Company shall provide to the Adviser and the Trust any complaints received from the Contract owners pertaining to the Trust or a Designated Portfolio.

5.7. For purposes of this Article IV, the phrase "sales literature and other promotional materials" includes, but is not limited to, any of the following that refer to the Trust, any Designated Portfolio or any affiliate of the Trust: advertisements (such as material published, or designed for use in, a newspaper, magazine, or other periodical, radio, television, telephone or tape recording, videotape display, signs or billboards, motion pictures, or other public media), sales literature (i.e., any written communication distributed or made generally available to customers or the public, including brochures, circulars, reports, market letters, form letters, seminar texts, reprints or excerpts of any other advertisement, sales literature, or published article), educational or training materials or other communications distributed or made generally available to some or all agents or employees, and registration statements, prospectuses, SAIs, shareholder reports, proxy materials, and any other Shareholder Communications distributed or made generally available with regard to the Trust.

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## ARTICLE VI. FEES AND EXPENSES

6.1. Except as otherwise provided herein, no party to this Agreement shall pay any fee or other compensation to any other party to this Agreement. Except as otherwise provided herein, all expenses incident to performance by a party under this Agreement shall be paid by such party.

6.2. The Trust or its agent will pay the expenses associated with the following: setting the prospectus and profiles in type; printing copies of the prospectus and profiles to be delivered to existing Contract owners investing in the Designated Portfolios; providing a reasonable number of copies of the SAI to the Company for itself and for any current owner of a Contract who requests such SAI; setting in type and printing the proxy materials and reports to

shareholders (including the costs of printing a prospectus that constitutes an annual report); and the preparation of all statements and notices required by any federal or state law.

6.3. Unless otherwise agreed, the Company shall bear the expenses of printing copies of the current prospectus and profiles for the Contracts; printing copies of the Trust's prospectus and profiles that are used in connection with offering the Contracts; distributing the Trust's prospectus to owners of Contracts issued by the Company; and of distributing the Trust's proxy materials and reports to such Contract owners. If the prospectus for the Contracts and the Trust's prospectus are printed together in one or more documents, printing costs shall be allocated to reflect the Trust's share, pursuant to Section 6.2, of the total costs for printing the Trust's prospectus(es) to be delivered to existing Contract owners investing in the Designated Portfolio(s), determined according to the number of pages of the Trust's respective portions of the documents.

#### ARTICLE VII. POTENTIAL CONFLICTS

7.1. The parties to this Agreement agree that the conditions or undertakings required by the Exemptive Order that may be imposed on the Company, the Trust and/or the Adviser by virtue of such order by the SEC: (i) shall apply only upon the sale of shares of the Designated Portfolios to variable life insurance separate accounts (and then only to the extent required under the 1940 Act); (ii) will be incorporated herein by reference; and (iii) such parties agree to comply with such conditions and undertakings to the extent applicable to each such party notwithstanding any provision of this Agreement to the contrary.

7.2. If and to the extent that Rule 6e-2 and Rule 6e-3(T) are amended, or Rule 6e-3 is adopted, to provide exemptive relief from any provision of the 1940 Act or the rules promulgated thereunder with respect to mixed or shared funding (as defined in the Exemptive Order) on terms and conditions materially different from those contained in the Exemptive Order, then (a) the parties to this Agreement shall take such steps as may be necessary to comply with Rules 6e-2 and 6e-3(T), as amended, and Rule 6e-3, as adopted, to the extent such rules are applicable; and (b) Sections 3.1 and 3.2 of this Agreement shall continue in effect only to the extent that terms and conditions substantially identical to such Sections are contained in such Rule(s) as so amended or adopted.

#### ARTICLE VIII. INDEMNIFICATION

##### 8.1. Indemnification By the Company

(a) The Company agrees to indemnify and hold harmless each of the Trust and the Adviser and each of their trustees/directors and officers, and each person, if any, who controls the Trust or the Adviser within the meaning of Section 15 of the 1933 Act or who is under common control with the Trust or the Adviser (collectively, the "Indemnified Parties" for purposes of this Section 8.1) against any

and all losses, claims, damages, liabilities (including amounts paid in settlement with the written consent of the Company) or litigation (including legal and other expenses), to which the Indemnified Parties may become subject under any statute or regulation, at common law or otherwise, insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof) or settlements:

- (i) arise out of or are based upon any untrue statement or alleged untrue statements of any material fact contained in the registration statement, prospectus (which shall include a written description of a Contract that is not registered under the 1933 Act), or SAI for the Contracts or contained in the Contracts or sales literature for the Contracts (or any amendment or supplement to any of the foregoing), or arise out of or are based upon the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, provided that this agreement to indemnify shall not apply as to any Indemnified Party to the extent that such statement or omission or such alleged statement or omission was made in reliance upon and in conformity with information furnished to the Company by or on behalf of the Trust for use in the registration statement, prospectus or SAI for the Contracts or in the Contracts or sales literature (or any amendment or supplement) or otherwise for use in connection with the sale of the Contracts or Trust shares; or
- (ii) arise out of or as a result of statements or representations (other than statements or representations contained in the registration statement, prospectus, SAI, or sales literature of the Trust not supplied by the Company or persons under its control) or wrongful conduct of the Company or its agents or persons under the Company's authorization or control, with respect to the sale or distribution of the Contracts or Trust shares; or
- (iii) arise out of any untrue statement or alleged untrue statement of a material fact contained in a registration statement, prospectus, SAI, or sales literature of the Trust or any amendment thereof or supplement thereto or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading if such a

statement or omission was made in reliance upon information furnished to the Trust by or on behalf of the Company; or

- (iv) arise as a result of any material failure by the Company to provide the services and furnish the materials required under the terms of this Agreement (including a material failure, whether unintentional or in good faith or otherwise, to comply with the qualification requirements specified in Section 2.6 of this Agreement); or
- (v) arise out of or result from any material breach of any representation and/or warranty made by the Company in this Agreement or arise out of or result from any other material breach of this Agreement by the Company; or
- (vi) arise out of information provided to the Company pursuant to this Agreement, or to any other Participating Insurance Company pursuant to

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another participation agreement, which information is based on incorrect information supplied by the Company to the Trust or Adviser.

as limited by and in accordance with the provisions of Sections 8.1(b) and 8.1(c) hereof.

(b) The Company shall not be liable under this indemnification provision with respect to any losses, claims, damages, liabilities or litigation to which an Indemnified Party would otherwise be subject by reason of such Indemnified Party's willful misfeasance, bad faith, or gross negligence in the performance of such Indemnified Party's duties or by reason of such Indemnified Party's reckless disregard of its obligations or duties under this Agreement.

(c) The Company shall not be liable under this indemnification provision with respect to any claim made against an Indemnified Party unless such Indemnified Party shall have notified the Company in writing within a reasonable time after the summons or other first legal process giving information of the nature of the claim shall have been served upon such Indemnified Party (or after such Indemnified Party shall have received notice of such service on any designated agent), but failure to notify the Company of any such claim shall not relieve the Company from any liability which it may have to the Indemnified Party against whom such action is brought otherwise than on account of this indemnification provision. In case any such action is brought against an Indemnified Party, the Company shall be entitled to participate, at



its own expense, in the defense of such action. The Company also shall be entitled to assume the defense thereof, with counsel satisfactory to the party named in the action. After notice from the Company to such party of the Company's election to assume the defense thereof, the Indemnified Party shall bear the fees and expenses of any additional counsel retained by it, and the Company will not be liable to such party under this Agreement for any legal or other expenses subsequently incurred by such party independently in connection with the defense thereof other than reasonable costs of investigation, unless such Indemnified Party's interests in such legal process are materially adverse to those of the Company and indemnification is otherwise appropriate under this Section 8.1, PROVIDED that the Company shall be liable for the costs and expenses of different counsel for separate Indemnified Parties for related claims or actions only to the extent that such Indemnified Parties' interest in such legal process are materially adverse to each other. The Company shall not settle or compromise any action of which it assumes the defense without the consent of the affected Indemnified Parties unless the Indemnified Parties are thereby released of all liability, fault and obligation.

(d) The Indemnified Parties will promptly notify the Company of the commencement of any litigation or proceedings against them in connection with the issuance or sale of the Trust shares or the Contracts or the operation of the Trust.

## 8.2. Indemnification by the Adviser

(a) The Adviser agrees to indemnify and hold harmless the Company and each of its directors and officers and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act (collectively, the "Indemnified Parties" for purposes of this Section 8.3) against any and all losses, claims, damages, liabilities (including amounts paid in settlement with the written consent of the Adviser) or litigation (including legal and other expenses) to which the Indemnified Parties may become subject under any statute or regulation, at common law or otherwise, insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof) or settlements:

- (i) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the registration statement or prospectus or SAI or sales literature of the Trust (or any amendment or supplement to any of the foregoing), or arise out of or are based upon the

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omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, provided that this agreement to indemnify shall not apply as to any Indemnified Party if such statement or omission or



such alleged statement or omission was made in reliance upon and in conformity with information furnished to the Adviser or Trust by or on behalf of the Company for use in the registration statement, prospectus or SAI for the Trust or in sales literature (or any amendment or supplement) or otherwise for use in connection with the sale of the Contracts or Trust shares; or

- (ii) arise out of or as a result of statements or representations (other than statements or representations contained in the registration statement, prospectus, SAI or sales literature for the Contracts not supplied by the Trust or the Adviser) or wrongful conduct of the Trust or Adviser with respect to the sale or distribution of the Contracts or Trust shares; or
- (iii) arise out of any untrue statement or alleged untrue statement of a material fact contained in a registration statement, prospectus, SAI or sales literature covering the Contracts, or any amendment thereof or supplement thereto, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statement or statements therein not misleading, if such statement or omission was made in reliance upon information furnished to the Company by or on behalf of the Trust or the Adviser; or
- (iv) arise as a result of any material failure by the Adviser to provide the services and furnish the materials required under the terms of this Agreement (including a material failure, whether unintentional or in good faith or otherwise, to comply with the diversification and other qualification requirements specified in Sections 2.3 and 2.4 of this Agreement); or
- (v) arise out of or result from any material breach of any representation and/or warranty made by the Adviser in this Agreement or arise out of or result from any other material breach of this Agreement by the Adviser;

as limited by and in accordance with the provisions of Sections 8.3(b) and 8.3(c) hereof.

(b) The Adviser shall not be liable under this indemnification provision with respect to any losses, claims, damages, liabilities or litigation to which an Indemnified Party would otherwise be subject by reason of such Indemnified Party's willful misfeasance, bad faith, or gross negligence in the performance or such Indemnified Party's duties or by reason of such Indemnified Party's reckless disregard of obligations and duties under this Agreement or to the Company or the Account, whichever is applicable.

(c) The Adviser shall not be liable under this indemnification provision with respect to any claim made against an Indemnified Party unless such Indemnified Party shall have notified the Adviser in writing within a reasonable time after the summons or other first legal process giving information of the nature of the claim shall have been served upon such Indemnified Party (or after such Indemnified Party shall have received notice of such service on any designated agent), but failure to notify the Adviser of any such claim shall not relieve the Adviser from any liability which it may have to the

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Indemnified Party against whom such action is brought otherwise than on account of this indemnification provision. In case any such action is brought against the Indemnified Party, the Adviser will be entitled to participate, at its own expense, in the defense thereof. The Adviser also shall be entitled to assume the defense thereof, with counsel satisfactory to the party named in the action. After notice from the Adviser to such party of the Adviser's election to assume the defense thereof, the Indemnified Party shall bear the fees and expenses of any additional counsel retained by it, and the Adviser will not be liable to such party under this Agreement for any legal or other expenses subsequently incurred by such party independently in connection with the defense thereof other than reasonable costs of investigation.

(d) The Company agrees promptly to notify the Adviser of the commencement of any litigation or proceedings against it or any of its officers or directors in connection with the issuance or sale of the Contracts or the operation of the Account.

### 8.3. Indemnification By the Trust

(a) The Trust agrees to indemnify and hold harmless the Company and each of its directors and officers and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act (collectively, the "Indemnified Parties" for purposes of this Section 8.4) against any and all losses, claims, expenses, damages, liabilities (including amounts paid in settlement with the written consent of the Trust) or litigation (including legal and other expenses) to which the Indemnified Parties may be required to pay or may become subject under any statute or regulation, at common law or otherwise, insofar as such losses, claims, expenses, damages, liabilities or expenses (or actions in respect thereof) or settlements:

- (i) arise as a result of any material failure by the Trust to provide the services and furnish the materials required under the terms of this Agreement; or
- (ii) arise out of or result from any material breach of any representation and/or warranty made by the Trust in this Agreement or arise out of or result from any other

material breach of this Agreement by the Trust;

as limited by and in accordance with the provisions of Sections 8.4(b) and 8.4(c) hereof. The parties acknowledge that the Trust's indemnification obligations under this Section 8.4 are subject to applicable law. The Company agrees that, in the event an obligation to indemnify exists pursuant to Section 8.4 as well as Section 8.2 or Section 8.3 hereof, it will seek satisfaction under the indemnification provisions of Section 8.2 or Section 8.3 before seeking indemnification under this Section 8.4.

(b) The Trust shall not be liable under this indemnification provision with respect to any losses, claims, damages, liabilities or litigation to which an Indemnified Party would otherwise be subject by reason of such Indemnified Party's willful misfeasance, bad faith, or gross negligence in the performance of such Indemnified Party's duties or by reason of such Indemnified Party's reckless disregard of obligations and duties under this Agreement or to the Company or the Account, whichever is applicable.

(c) The Trust shall not be liable under this indemnification provision with respect to any claim made against an Indemnified Party unless such Indemnified Party shall have notified the Trust in writing within a reasonable time after the summons or other first legal process giving information of the nature of the claim shall have been served upon such Indemnified Party (or after such Indemnified Party shall have received notice of such service on any designated agent), but failure to notify the Trust of any such claim shall not relieve the Trust from any liability which it may have to the Indemnified Party against whom such action is brought otherwise than on account of this indemnification provision. In case any such action is brought against the Indemnified Parties, the Trust or its agent will be entitled to participate, at its

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own expense, in the defense thereof. The Trust or its agent also shall be entitled to assume the defense thereof, with counsel satisfactory to the party named in the action. After notice from the Trust to such party of the Trust's (or its agent's) election to assume the defense thereof, the Indemnified Party shall bear the fees and expenses of any additional counsel retained by it, and the Trust or its agent will not be liable to such party under this Agreement for any legal or other expenses subsequently incurred by such party independently in connection with the defense thereof other than reasonable costs of investigation.

(d) The Company agrees promptly to notify the Trust of the commencement of any litigation or proceeding against it or any of its respective officers or directors in connection with the Agreement, the issuance or sale of the Contracts, the operation of the Account, or the sale or acquisition of shares of the Trust.

ARTICLE IX. APPLICABLE LAW

9.1. This Agreement shall be construed and the provisions hereof interpreted under and in accordance with the laws of the State of New York.

9.2. This Agreement shall be subject to the provisions of the 1933, 1934 and 1940 Acts, and the rules and regulations and rulings thereunder, including such exemptions from those statutes, rules and regulations as the SEC may grant (including, but not limited to, the Exemptive Order) and the terms hereof shall be interpreted and construed in accordance therewith. If, in the future, the Exemptive Order should no longer be necessary under applicable law, then Article VII shall no longer apply.

ARTICLE X. TERMINATION

10.1. This Agreement shall continue in full force and effect until the first to occur of:

(a) termination by any party, for any reason with respect to some or all Designated Portfolios, by three (3) months advance written notice delivered to the other parties; or

(b) termination by the Company by written notice to the Adviser and the Trust based upon the Company's determination that shares of the Trust are not reasonably available to meet the requirements of the Contracts; or

(c) termination by the Company by written notice to the Adviser and the Trust in the event any of the Designated Portfolio's shares are not registered, issued or sold in accordance with applicable state and/or federal law or such law precludes the use of such shares as the underlying investment media of the Contracts issued or to be issued by the Company; or

(d) termination by the Adviser or the Trust in the event that formal administrative proceedings are instituted against the Company by the NASD, the SEC, an insurance commissioner or like official of any state or any other regulatory body regarding the Company's duties under this Agreement or related to the sale of the Contracts, the operation of any Account, or the purchase of the Designated Portfolios' shares; provided, however, that the Adviser determines in its sole judgment exercised in good faith, that any such administrative proceedings will have a material adverse effect upon the ability of the Company to perform its obligations under this Agreement; or

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(e) termination by the Company in the event that formal administrative proceedings are instituted against the Trust or the Adviser by the SEC or any state securities or insurance department or any other regulatory body; provided, however, that the Company determines in its sole judgment exercised in good faith, that any such administrative proceedings will have a

material adverse effect upon the ability of the Adviser or the Trust to perform its obligations under this Agreement; or

(f) termination by the Company by written notice to the Adviser and the Trust with respect to any Designated Portfolio in the event that such Designated Portfolio ceases to qualify as a Regulated Investment Company under Subchapter M or fails to comply with the Section 817(h) diversification requirements specified in Section 2.3 hereof, or if the Company reasonably believes that such Designated Portfolio may fail to so qualify or comply; or

(g) termination by the Adviser or the Trust by written notice to the Company in the event that the Contracts fail to meet the qualifications specified in Section 2.6 hereof; or

(h) termination by the Adviser or the Trust by written notice to the Company, if the Adviser shall determine, in its sole judgment exercised in good faith, that the Company has suffered a material adverse change in its business, operations, financial condition, or prospects since the date of this Agreement or is the subject of material adverse publicity; or

(i) termination by the Company by written notice to the Adviser and the Trust, if the Company shall determine, in its sole judgment exercised in good faith, that the Adviser or the Trust has suffered a material adverse change in its business, operations, financial condition or prospects since the date of this Agreement or is the subject of material adverse publicity; or

(j) termination by the Adviser or the Trust by written notice to the Company, if the Company gives the Adviser the written notice specified in Section 1.7(a)(ii) hereof and at the time such notice was given there was no notice of termination outstanding under any other provision of this Agreement; provided, however, any termination under this Section 10.1(j) shall be effective forty-five days after the notice was given; or

(k) termination by the Trust if the Board has decided to (i) refuse to sell shares of any Designated Portfolio to the Company and/or any of its Accounts; (ii) suspend or terminate the offering of shares of any Designated Portfolio; or (iii) dissolve, reorganize, liquidate, merge or sell all assets of the Trust or any Designated Portfolio, subject to the provisions of Section 1.1; or

(l) termination by the Company upon any substitution of the shares of another investment company or series thereof for shares of a Designated Portfolio of the Trust in accordance with the terms of the Contracts, provided that the Company has given at least 45 days prior written notice to the Adviser and the Trust of the date of substitution;

(m) termination by any party in the event that the Board determines that a material irreconcilable conflict exists as provided in Article VII; or

10.2. (a) Notwithstanding any termination of this Agreement, and except as provided in Section 10.2(b), the Trust shall, at the option of the Company, continue, until the one year anniversary from the date of termination, and from year to year thereafter if deemed appropriate by the Trust, to make available additional shares of the Designated Portfolios pursuant to the terms and conditions of this Agreement, for all Contracts in effect on the effective date of termination of this Agreement (hereinafter referred to as "Existing Contracts").

Specifically, based on instructions from the owners of the Existing Contracts, the Accounts shall be permitted to reallocate investments in the Designated Portfolios of the Trust and redeem investments in the Designated Portfolios, and shall be permitted to invest in the Designated Portfolios in the event that owners of the Existing Contracts make additional premium payments under the Existing Contracts.

Company agrees, promptly after any termination of this Agreement, to take all steps necessary to redeem the investment of the Accounts in the Designated Portfolios within one year from the date of termination of the Agreement as provided in Article X. Such steps shall include, but not be limited to, obtaining an order pursuant to Section 26(c) of the 1940 Act to permit the substitution of other securities for the shares of the Designated Portfolios. The Trust may, in its discretion, permit the Accounts to continue to invest in the Designated Portfolios beyond such one year anniversary for an additional year beginning on the first annual anniversary of the date of termination, and from year to year thereafter; provided that the Trust agrees in writing to permit the Accounts to continue to invest in the Designated Portfolios at the beginning of any such year.

(b) In the event (i) the Agreement is terminated pursuant to Sections 10.1(g) or 10.1(m), at the option of the Trust or the Adviser; or (ii) the one year anniversary of the termination of the Agreement is reached or, after waiver as provided in Section 10.2(a), such subsequent anniversary is reached (each of (i) and (ii) referred to as a "triggering event" and the date of termination as provided in (i) or the date of such anniversary as provided in (ii) referred to as the "request date"), the parties agree that such triggering event shall be considered as a request for immediate redemption of shares of the Designated Portfolios held by the Accounts, received by the Trust and its agents as of the request date, and the Trust agrees to process such redemption request in accordance with the 1940 Act and the regulations thereunder and the Trust's registration statement.

(c) The parties agree that this Section 10.2 shall not apply to any terminations under Article VII and the effect of such Article VII terminations shall be governed by Article VII of this Agreement. The parties further agree that, to the extent that all or a portion of the assets of the

Accounts continue to be invested in the Trust or any Designated Portfolio of the Trust, Articles I, II, VII, VIII and IX will remain in effect after termination.

10.3. Notwithstanding any termination of this Agreement, each party's obligation under Article VIII to indemnify the other parties shall survive.

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#### ARTICLE XI. NOTICES

Any notice shall be sufficiently given when sent by registered or certified mail to the other party at the address of such party set forth below or at such other address as such party may from time to time specify in writing to the other party.

If to the Company: Jefferson National Life Insurance Company  
9920 Corporate Campus Drive, Suite 1000  
Louisville, KY 40223  
Attn: Meg Cullem-Fiore

If to Adviser: Rafferty Asset Management, LLC  
33 Whitehall Street, 10th Floor  
New York, NY 10004  
Attn: Daniel O'Neill

If to the Trust: The Potomac Funds  
33 Whitehall Street, 10th Floor  
New York, NY 10004  
Attn: Daniel O'Neill

#### ARTICLE XII. MISCELLANEOUS

12.1. Subject to the requirements of legal process and regulatory authority, each party hereto shall treat as confidential the names and addresses of the owners of the Contracts and all information reasonably identified as confidential in writing by any other party hereto and, except as permitted by this Agreement, shall not disclose, disseminate or utilize such names and addresses and other confidential information without the express written consent of the affected party until such time as such information has come into the public domain.

12.2. The captions in this Agreement are included for convenience of reference only and in no way define or delineate any of the provisions hereof or otherwise affect their construction or effect.

12.3. This Agreement may be executed simultaneously in two or more



counterparts, each of which taken together shall constitute one and the same instrument.

12.4. If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of the Agreement shall not be affected thereby.

12.5. Each party hereto shall cooperate with each other party and all appropriate governmental authorities (including without limitation the SEC, the NASD, and state insurance regulators) and shall permit such authorities reasonable access to its books and records in connection with any investigation or inquiry relating to this Agreement or the transactions contemplated hereby. Notwithstanding the generality of the foregoing, each party hereto further agrees to furnish the [insert state] Insurance Commissioner with any information or reports in connection with services provided under this Agreement which such Commissioner may request in order to ascertain whether the variable insurance operations of the Company are being conducted in a manner consistent with the [insert state] insurance laws and regulations and any other applicable law or regulations.

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12.6. The rights, remedies and obligations contained in this Agreement are cumulative and are in addition to any and all rights, remedies, and obligations, at law or in equity, which the parties hereto are entitled to under state and federal laws.

12.7. This Agreement or any of the rights and obligations hereunder may not be assigned by any party without the prior written consent of all parties hereto; provided, however, that the Adviser may assign this Agreement or any rights or obligations hereunder to any affiliate or company under common control with the Adviser, if such assignee is duly licensed and registered to perform services under this Agreement. The Company shall promptly notify the Trust and the Adviser of any change in control of the Company.

12.8. All persons dealing with the Trust must look solely to the property of the respective Designated Portfolios listed on Schedule A hereto as though each such Designated Portfolio had separately contracted with such party for the enforcement of any claims against the Trust. The parties agree that neither the Board, officers, agents or shareholders of the Trust assume any personal liability or responsibility for obligations entered into by or on behalf of the Trust. It is expressly agreed that the obligations of the Trust hereunder shall not be binding upon any of the Trustees, shareholders, nominees, officers, agents or employees of the Trust personally, but shall bind only the trust property of the Trust. The execution and delivery of this Agreement have been authorized by the Trustees, and this Agreement has been signed and delivered by an authorized officer of the Trust, acting as such, and neither such authorization by the Trustees nor such execution and delivery by such



officer shall be deemed to have been made by any of them individually or to impose any liability on any of them personally, but bind only the trust property of the Trust as provided in the Trust's Declaration of Trust. The provisions of this section 12.8 shall survive termination of the Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in its name and on its behalf by its duly authorized representative as of the date specified below.

Jefferson National  
Life Insurance Company:

By its authorized officer

By:

-----

Title:

-----

Date:

-----

Rafferty Asset  
Management, LLC

By its authorized officer:

By:

-----

Title:

-----

Date:

-----

The Potomac Insurance  
Trust

By its authorized officer:

By:

-----

Title:

-----

Date:

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[Date]

SCHEDULE A

ACCOUNT (S)

CONTRACT (S)

DESIGNATED PORTFOLIO (S)

DYNAMIC VP HY BOND FUND

VP MONEY MARKEY FUND

A-1

AMENDMENT TO FUND  
PARTICIPATION AGREEMENT  
AMONG  
RYDEX VARIABLE TRUST,  
RYDEX DISTRIBUTORS, INC.,  
and  
JEFFERSON NATIONAL LIFE INSURANCE COMPANY

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree to amend the March 24, 2000 Fund Participation Agreement among Rydex Variable Trust (the "Trust"), Rydex Distributors, Inc., and Jefferson National Life Insurance Company (formerly Conseco Variable Insurance Company) (the "Insurance Company") as follows:

1. Schedule A thereto is hereby modified in its entirety to read as SCHEDULE A attached hereto.

2. All other terms of the Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed in its name and on its behalf by its duly authorized representative as of this date, May 1, 2005.

RYDEX VARIABLE TRUST

By: \_\_\_\_\_  
Name:  
Title:

RYDEX GLOBAL ADVISORS

By: \_\_\_\_\_  
Name:  
Title:

JEFFERSON NATIONAL LIFE INSURANCE  
COMPANY

By: \_\_\_\_\_  
Name: Craig A. Hawley  
Title: General Counsel and Secretary

SCHEDULE A  
SEGREGATED ASSET ACCOUNTS

ACCOUNT(S)	FORM #
- Jefferson National Life Annuity Account C	22-4025 (Individual) 32-4000 (Group)
- Jefferson National Life Annuity Account E	22-4047/32-4003 (Achievement) 22-4048/32-4002 (Educator)
- Jefferson National Life Annuity Account F	22-4061
- Jefferson National Life Annuity Account G	22-4056 JNL-2300
- Jefferson National Life Annuity Account H	CVIC-2000 or -2001(state specific)
- Jefferson National Life Annuity Account I	CVIC-2004 or -2005(state specific)
- Jefferson National Life Annuity Account J	JNL-2100
- Jefferson National Life Annuity Account K	JNL-2200
- Jefferson National Life Annuity Account L	CVIC-1001 and -1003
- Jefferson National Life Advisor Variable Annuity Account	22-4058

AMENDMENT TO FUND PARTICIPATION AGREEMENT

BETWEEN  
THE DREYFUS CORPORATION AND  
JEFFERSON NATIONAL LIFE INSURANCE COMPANY

THIS AMENDMENT TO THE FUND PARTICIPATION AGREEMENT is made as of the 1st day of May, 2005 between JEFFERSON NATIONAL LIFE INSURANCE COMPANY (the "Insurance Company"), and each of DREYFUS VARIABLE INVESTMENT FUND; THE DREYFUS SOCIALLY RESPONSIBLE GROWTH FUND, INC.; AND DREYFUS STOCK INDEX FUND (EACH A "FUND").

WITNESSETH

WHEREAS, the Insurance Company and the Funds entered into a Fund Participation Agreement as of May 1, 2003 ("Agreement") under which shares of the Funds are made available to the Separate Accounts of the Insurance Company for the benefit of the Insurance Company contract holders; and

WHEREAS, Dreyfus and the Insurance Company desire to amend the Agreement;

NOW THEREFORE, it is agreed as follows:

1. Article I, Paragraph 1.13 "Separate Account" of the Agreement, is hereby deleted in its entirety and replaced with the following paragraph 1.13: "Separate Account" shall mean Jefferson National Life Annuity Accounts as follows:

- Jefferson National Life Annuity Account C
- Jefferson National Life Annuity Account E
- Jefferson National Life Annuity Account F
- Jefferson National Life Annuity Account G
- Jefferson National Life Annuity Account H
- Jefferson National Life Annuity Account I
- Jefferson National Life Annuity Account J
- Jefferson National Life Annuity Account K
- Jefferson National Life Account L

2. If any of the Funds provide the Insurance Company with materially incorrect share net asset value information, the Separate Account(s) shall be entitled to an adjustment to the number of shares purchased or redeemed to reflect the correct share net asset value. Any material error in the calculation of the net asset value per share, dividend or capital gain information shall be reported promptly upon discovery to the Insurance Company. Furthermore, the Funds shall be liable for the reasonable administrative costs incurred by the Insurance Company in relation to the correction of any material error, provided such error is attributable to the Funds. Administrative costs shall include reasonable allocation of staff

time, costs of outside service providers, printing and postage. Non-material errors will be corrected in the next Business Day's net asset value per share.

3. Exhibit A is revised in its entirety to read as EXHIBIT A attached hereto.

4. All other terms of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed in its name and on its behalf by its duly authorized representative as of this date, May 1, 2005.

DREYFUS VARIABLE INVESTMENT FUND

By: \_\_\_\_\_  
Name:  
Title:

THE DREYFUS SOCIALLY RESPONSIBLE GROWTH FUND, INC.

By: \_\_\_\_\_  
Name:  
Title:

DREYFUS LIFE AND ANNUITY INDEX FUND, INC.  
D/B/A (DREYFUS STOCK INDEX FUND)

By: \_\_\_\_\_  
Name:  
Title:

JEFFERSON NATIONAL LIFE INSURANCE  
COMPANY

By: \_\_\_\_\_  
Name: Craig A. Hawley  
Title: General Counsel and Secretary

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EXHIBIT A

LIST OF PARTICIPATING FUNDS

FUND NAME -----	SHARE CLASS -----
Dreyfus Variable Investment Fund	
Disciplined Stock Portfolio	Initial Class
International Value Portfolio	Initial Class
Dreyfus Socially Responsible Growth Fund, Inc.	Initial Class
Dreyfus Stock Index Fund, Inc.	Initial Class
Dreyfus Small Cap Stock Index Portfolio	Service Shares

## AMENDMENT NO. 1 TO PARTICIPATION AGREEMENT

THIS AMENDMENT NO. 1 TO PARTICIPATION AGREEMENT ("Amendment") is made as of this 1st day of May, 2005, by and between JEFFERSON NATIONAL LIFE INSURANCE COMPANY ("Company") and CITIGROUP GLOBAL MARKETS, INC. ("Distributor"). Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement (defined below).

## RECITALS

WHEREAS, the Company and Distributor are parties to a certain Participation Agreement dated May 1, 2004 (the "Agreement") in connection with the participation of the Funds in Contracts offered by the Company; and

WHEREAS, the parties desire to supplement the Agreement as provided herein to expand the number of Funds in Contracts offered by the separate accounts of the Company;

WHEREAS, the parties now desire to further modify the Agreement as provided herein.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties hereto agree as follows: 1. SCHEDULE A. Schedule A thereto is hereby amended in its entirety to read as follows:

## SCHEDULE A

<TABLE>	<CAPTION>	ACCOUNT(S)	CONTRACT(S)	DESIGNATED PORTFOLIO(S)
<S>				<C>
				SALOMON BROTHERS VARIABLE STRATEGIC BOND FUND (CLASS I) SALOMON BROTHERS VARIABLE ALL CAP FUND (CLASS I) SALOMON BROTHERS VARIABLE LARGE CAP GROWTH FUND (CLASS I) SALOMON VARIABLE TOTAL RETURN FUND (CLASS I) SALOMON BROTHERS VARIABLE HIGH YIELD BOND FUND (CLASS I) SALOMON BROTHERS VARIABLE AGGRESSIVE GROWTH FUND (CLASS I) SB GOVERNMENT PORTFOLIO (CLASS I)
		ACCOUNT(S)		FORM #
		- Jefferson National Life Annuity Account C		22-4025 (Individual)
		- Jefferson National Life Annuity Account E		32-4000 (Group)
		- Jefferson National Life Annuity Account F		22-4047/32-4003 (Achievement)
		- Jefferson National Life Annuity Account G		22-4048/32-4002 (Educator)
		- Jefferson National Life Annuity Account H		22-4061
		- Jefferson National Life Annuity Account I		22-4056; JNL-2300
		- Jefferson National Life Annuity Account J		CVIC-2000 or -2001 (state specific)
		- Jefferson National Life Annuity Account K		CVIC-2004 or -2005 (state specific)
		- Jefferson National Life Account L		JNL-2100
				JNL-2200
				CVIC-1001 and -1003

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2. COUNTERPARTS. This Amendment may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one instrument.

3. FULL FORCE AND EFFECT. Except as expressly supplemented, amended or consented to hereby, all of the representations, warranties, terms, covenants and conditions of the Agreement shall remain unamended and shall continue to be in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Amendment No. 1 as of the date first above written.

JEFFERSON NATIONAL LIFE INSURANCE COMPANY

By: \_\_\_\_\_

Name: Craig A. Hawley

Title: General Counsel and Secretary

CITIGROUP GLOBAL MARKETS, INC.



By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_