



Smart Foundation[®] Variable Annuities



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Discover
What's
Possible

Plan for retirement so you can **Celebrate a Life Lived Well**



Celebrating retirement means **knowing you will be able to maintain your standard of living** - no matter what the future brings. To help make sure that happens, consider building a retirement plan that includes:

- Strong retirement savings and growth potential
- Guaranteed income throughout retirement
- Income that can keep pace with inflation and market growth
- Flexible access to your savings when you need it.

As part of a well rounded retirement plan, a Smart Foundation® Variable Annuity from Penn Mutual can help you celebrate your retirement with confidence.

Retirement is one of life's most important milestones. With thoughtful planning, it can be a lasting celebration of a life lived well.

Smart Foundation Variable Annuities

Smart Foundation Variable Annuities are investment vehicles designed to help you grow and manage your retirement savings, so you can maintain your lifestyle throughout a long retirement—and take care of the ones you love. With a Smart Foundation Variable Annuity you can expect:

- **Unlimited growth potential** through investment in diverse equity funds
- **Tax-deferred earnings** for more, long-term growth potential
- **A guaranteed income stream** throughout retirement
- **Protection for loved ones** via the included Standard Death Benefit
- **Flexible access to your contract value** should you need it
- **A choice of income options**—including joint/spousal income options
- **Plus, optional benefits** designed to help provide guaranteed growth, lifetime income, inflation protection and more.

Celebrate a long life

Life expectancies are increasing. So, depending on when you plan to retire, your retirement celebration may last 20 -30 years or longer. As part of a well rounded retirement plan, a Smart Foundation Variable Annuity can help ensure you don't outlive your retirement savings.

According to 2018 Social Security Administration estimates, on average:

A man
reaching
age 65
can expect
to live
to age

84.3

A woman
turning
age 65
can expect
to live
to age

86.7

About
one in
four 65
year olds
will live
past age

90

About
one in
ten 65
year olds
will live
past age

95

A study by the Centers for Disease Control and Prevention reported the number of Americans reaching age 100 grew 44% between 2000 and 2014.*

*NCHS Data Brief, No 233, January 2016.



Tax Advantages and Strong Growth Potential

Celebrate the power of tax deferral

While you're accumulating retirement savings it's important to maximize growth. A great way to do that is through a tax-deferred vehicle like a Smart Foundation Variable Annuity. Tax deferral allows your entire investment, plus earnings, to compound tax-free. That generally means you'll benefit from more long-term growth potential. And the longer the annuity remains in the accumulation phase, the greater the impact of tax deferral on growth potential.

The hypothetical examples below show the impact of tax deferral on a \$100,000 initial investment over 20 and 30 years, assuming an 8% annual investment return and a 35% income tax rate.*

20 Year Growth

\$275,623
Without
Tax Deferral

\$337,962
With
Tax Deferral

30 Year Growth

\$457,585
Without
Tax Deferral

\$689,073
With
Tax Deferral

*This hypothetical example does not reflect the actual performance of any investment. Product fees and charges, including surrender charges, will reduce values. Your results will vary.

Celebrate the power of investment diversity

Smart Foundation Variable Annuities offer unlimited upside potential through market investment, plus the versatility to change your investment choices as your needs change — without tax consequences.

Build a Custom Portfolio or Get Built-In Diversity and Discipline*

You can create and actively manage a custom investment portfolio by choosing from a wide variety of quality fund choices managed by experienced, highly regarded investment firms. Or, you can choose from five LifeStyle Asset Allocation Funds. These funds, managed by Penn Mutual Asset Management, LLC, provide a diversified portfolio in one fund based on risk tolerance. Each fund is automatically rebalanced quarterly to maintain the stated risk tolerance level.

Allocation options designed to help minimize risk

Fixed Account

If you prefer a predictable, guaranteed rate of return or want to safeguard a portion of your annuity contract value as retirement nears, Smart Foundation Variable Annuities offer three, five or seven year fixed account options. (Not available in NY or with certain optional benefit riders.)

Dollar Cost Averaging

Dollar cost averaging can help smooth out the timing risk impact for allocations ultimately destined for the variable investment funds or the LifeStyle Asset Allocation Funds. When you choose this option, new annuity payments are temporarily held in an account with a competitive interest rate and the allocations to the destination funds are spread over either 6 or 12 months.*

*Diversification or Dollar Cost Averaging cannot guarantee a better rate of return.

Large Cap

- Large Growth Stock Fund
- Large Core Growth Fund
- Large Cap Growth Fund
- Index 500 Fund
- Large Core Value Fund
- Large Cap Value Fund

Mid Cap

- Mid Cap Growth Fund
- Mid Cap Value Fund
- Mid Core Value Fund

Small Cap

- Small Cap Growth Fund
- Small Cap Index Fund
- Small Cap Value Fund

SMID Cap

- SMID Cap Growth Fund
- SMID Cap Value Fund

International

- International Equity Fund
- Developed International Index Fund
- Emerging Markets Equity Fund

Balanced

- Flexibly Managed Fund
- Balanced Fund

Specialty

- Real Estate Securities Fund

Fixed Income

- Money Market Fund
- Limited Maturity Bond Fund
- Quality Bond Fund
- High Yield Bond Fund

Lifestyle Asset Allocation Funds

- Aggressive Allocation Fund
- Moderately Aggressive Allocation Fund
- Moderate Allocation Fund
- Moderately Conservative Allocation Fund
- Conservative Allocation Fund

Penn Mutual regularly reviews the investment options to ensure they meet the highest standards. For more information, please see the Penn Mutual Variable Investment Options brochure.

A Customized Retirement Solution

Celebrate your unique needs and goals

You have a lot to consider as you plan for retirement, such as:

- How much you can invest now and in the future
- Your accumulation goals
- Your retirement timetable.

Whether you're just starting to fund a retirement plan or transferring funds from an existing retirement account, your retirement goals and concerns are as unique as you are. That's why Penn Mutual offers an array of optional benefit riders to help you customize your Smart Foundation Variable Annuity.*



Guaranteed Growth & Income Benefit

Guarantees the base amount used to calculate what you'll receive in retirement can continue to grow until withdrawals begin.

Ensures guaranteed lifetime withdrawals during retirement, regardless of market performance.



Inflation Protection Withdrawal Benefit

Automatically applies inflation adjustments based upon positive changes in the Consumer Price Index** (up to 6%; 4% in NY).

Provides inflation protection before and during retirement, regardless of market performance.



Enhanced Death Benefit

Enhances the death benefit to equal the highest anniversary contract value (net of withdrawals).

Can be combined with the Guaranteed Growth & Income or the Inflation Protection Withdrawal Benefit.



Guaranteed Minimum Accumulation Benefit

Guarantees the money invested in the first contract year will be returned at the end of 10 years—regardless of future market performance.†

Allows the lock-in of gains at specified intervals.

Your adviser can provide complete details about all of the options available and help you tailor your Smart Foundation Variable Annuity to meet your unique goals.

* Optional riders carry additional cost and are available only through the purchase of certain Smart Foundation Variable Annuities. Some riders may not be purchased in combination. Ask your adviser for rider details, such as product availability, eligibility, costs, features, limitations and exclusions.

** Consumer Price Index for All Urban Consumers (CPI-U)

† Return at the end of 10 years is less any withdrawals and only paid if the contract is surrendered.

Secure Your Income and Your Legacy

Celebrate guaranteed income and protection

Income Your Way

When you're ready to begin taking income by converting your annuity into income payments (also known as "annuitizing"), you can choose from a variety of income options, including:

- Periodic income payments over a certain number of years
- Guaranteed income payments for life
- Income payments for single or joint owners.

Your adviser can help you assess the options and decide which may best suit your situation.

A Legacy for Loved Ones

All Smart Foundation Variable Annuities automatically include a Standard Death Benefit that:

- Pays beneficiaries a death benefit equal to the greater of the premiums paid or the contract value, adjusted for withdrawals
- Is not subject to state probate
- Allows spouse beneficiaries to take over/continue the contract.

Why Penn Mutual?

At Penn Mutual, we are singularly committed to helping individuals, families and small business owners unlock the possibilities of life through our life insurance and annuity options.

We have never failed to meet an obligation to a policyholder. With our financial strength and stability standing behind our guarantees, we are committed to the brighter futures and best interests of all of our policyholders.



Talk to your adviser about adding a Smart Foundation Variable Annuity to your retirement plan.



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Twitter.com/PennMutual
YouTube.com/user/PennMutualLife
Instagram.com/PennMutual

Our Noble Purpose

Since 1847, Penn Mutual has been driven by our noble purpose — to create a world of possibilities, one individual, one family and one small business at a time. As an original pioneer of mutual life insurance in America, we believe that purchasing life insurance is the most protective, responsible and rewarding action a person can take to build a solid foundation today and create a brighter future for generations to come.

All guarantees are based on the claims-paying ability of the insurer.

Guarantees do not relate to the performance of the variable investment options. A variable annuity is a long-term financial retirement vehicle, subject to market fluctuations. It may lose value, including the potential loss of principal, and is subject to certain fees and expenses not normally associated with other investment vehicles. Withdrawals are subject to contract provisions and will reduce the contract value, the amount used to calculate withdrawal or income payments and death benefit amounts. Withdrawals may be subject to income taxes and surrender charges; and, when taken before age 59 1/2, may be subject to an additional 10 percent penalty tax. The decision to annuitize is irrevocable. Consult your trusted financial professionals before taking income or other withdrawals.

If the annuity contract is held in a qualified account or plan, such as an IRA, the tax deferral feature provides no additional benefits beyond that provided by the qualified account or plan.

Statements about the taxation of annuities are based on Penn Mutual's understanding of current tax laws, which are subject to change. For specific questions about your personal situation, you should consult a qualified professional.

Product and/or features may not be available in all states. Policy form number: ICC11-VA-C. Rider form numbers: Guaranteed Growth and Income Benefit ICC11-GLWB, Inflation Protector Withdrawal Benefit ICC14-IPWB. Enhanced Death Benefit ICC11-GMDB-C, Guaranteed Minimum Accumulation Benefit GMAB-05. Form numbers may vary by product and state. Penn Mutual's variable products are primarily offered through Hornor, Townsend & Kent (HTK), Registered Investment Adviser, Member FINRA/ SIPC, 600 Dresher Road, Horsham, PA 19044, 215-957-7300. HTK is a wholly owned subsidiary of The Penn Mutual Life Insurance Company.

Not FDIC or NCUA Insured	No Bank or Credit Union Guarantee	May Lose Value
Not a Deposit	Not Insured by Any Federal Government Agency	

This brochure must be preceded or accompanied by the Smart Foundation Variable Annuities prospectus and the underlying funds' prospectus. Investors should carefully consider funds' objectives, risks, charges and fees before investing. This information, as well as other information, is contained in the product and underlying funds' prospectuses, which should be read carefully before investing.