Balanced**Allocation**
INCOME ADVANTAGE™

THE INCOME ADVANTAGE AS UNIQUE AS YOU.





ANNEXUS INNOVATION IS THE DIFFERENCE

BAAIR (11/10) 57511

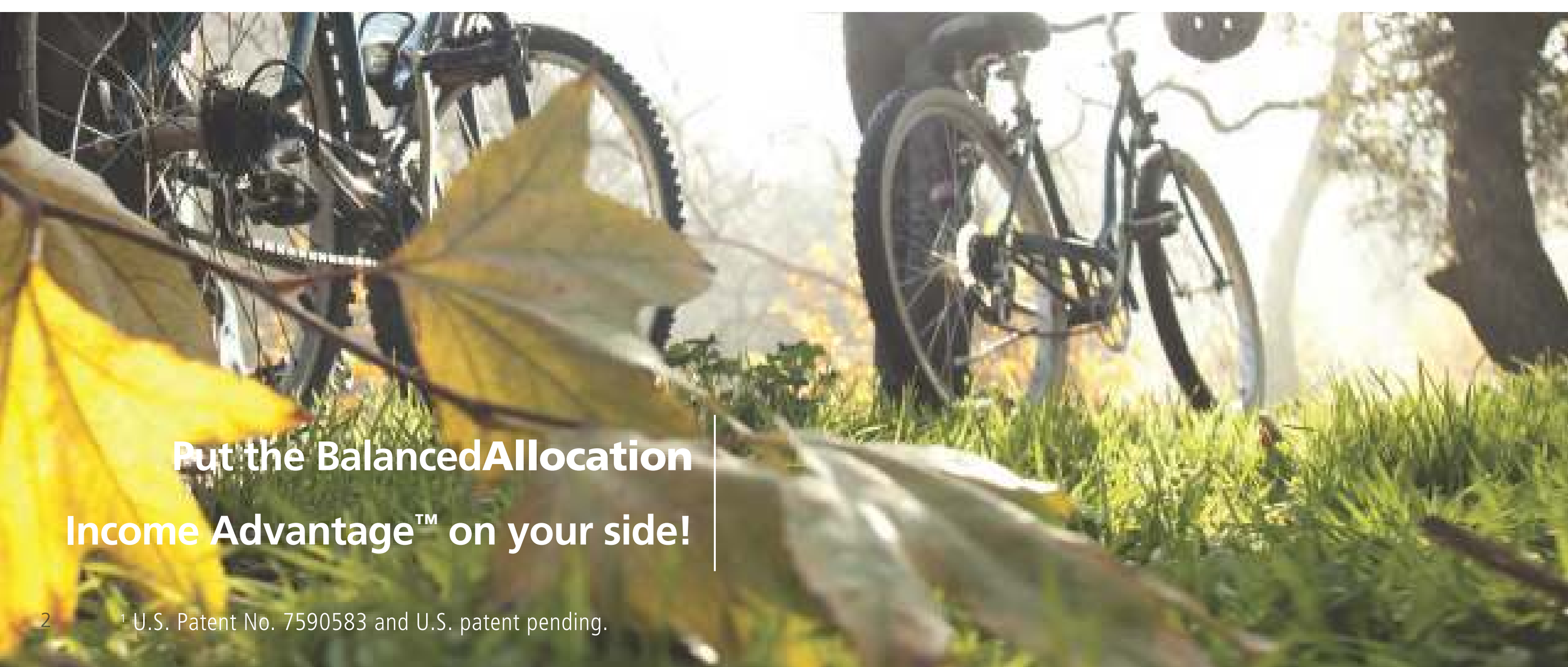
   

You've followed your own path your entire life. Why stop when it comes to planning your retirement income?

Today, more than ever, Americans are concerned about protecting their retirement savings while maximizing their options for income in the future. We can help.

Balanced**Allocation** Income Advantage™ – design a retirement income that fits your lifestyle!

The patented Balanced**Allocation** Income Advantage™[1] is an Optional Living Benefit rider available on Balanced**Allocation** Annuities™ for an additional charge. It is designed for those retiring who may need income now and for those planning retirement who might need income later, and those who are concerned about the impact that longevity, inflation and market volatility might have on their retirement income.



[1] U.S. Patent No. 7590583 and U.S. patent pending.

Will I outlive my assets?

Retirement will last longer than many people think. As many Americans are retiring in their early 60's, it's easy to see how their retirement can last 30 years or longer.

New medicines and technology have ratcheted up life expectancies. Compared to previous generations, you can expect to live a longer, healthier life in retirement. This also means you could potentially outlive your income.

What are your overriding concerns about your retirement income needs?

A Couple Age 65	
50%	chance that at least one spouse will live beyond 92
25%	chance that at least one spouse will live beyond 97

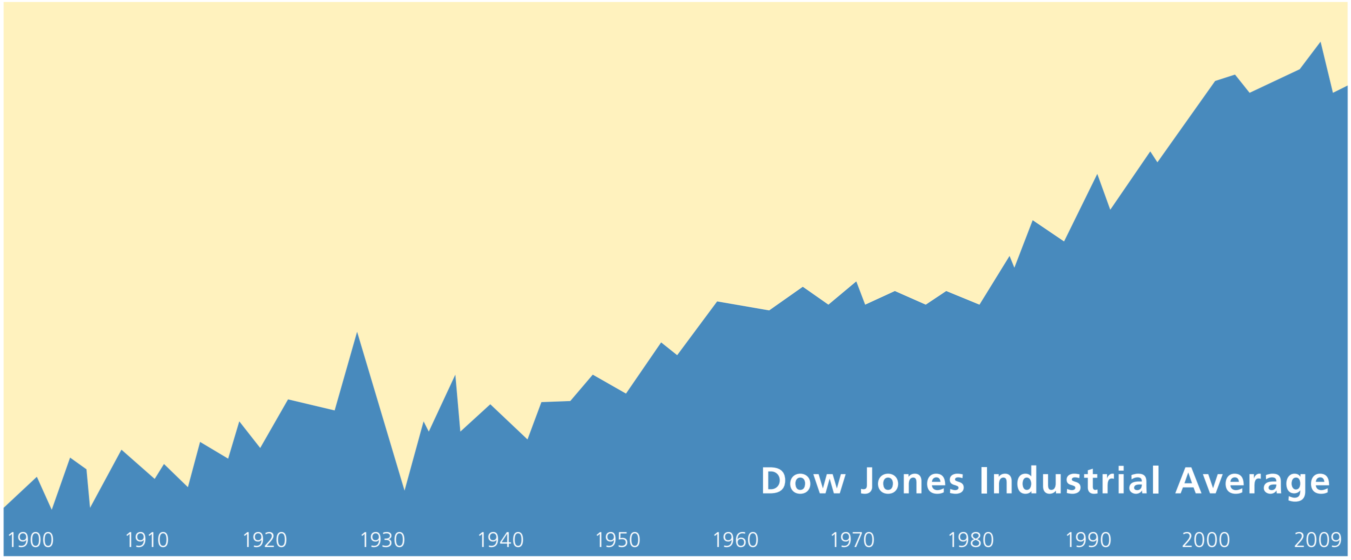
Society of Actuaries Annuity 2000 Mortality Table

Once income starts, how long would you like it to last?

How could market volatility affect my retirement income?

When it comes to retirement planning, most Americans utilize a variety of approaches to accumulating dollars with the goal of having sufficient income in their retirement years. One of the difficult challenges that people face is trying to determine the right mix of financial products to meet their retirement savings goals while solidifying a reliable amount of income throughout their retirement years. A balanced approach to risk and reward has proven to be a sound strategy for many retirees.

It's quite natural, as you get closer to retirement or have recently entered your retirement years, that you begin to take a closer look at your existing approach. Not everyone has a substantial amount of retirement assets that are exposed to direct market risk. But, if you are like many Americans today, a very real and everyday concern is how you would do in a market downturn. To be sure, the long-term trend for financial markets has been quite positive, but as the chart below indicates, **there have been periods of significant volatility** – most recently from 2000 to 2002 and 2007 to 2009. The timing of events such as "dips", "corrections" or "bear markets" could impact the amount of retirement income that you desire.



Ibbotson and Associates, 2008 Stocks Bonds and Inflation Yearbook.
Past performance is no indication of future performance or value.

After a decline, you'll need to earn even greater returns to make up for your losses to return to the amount where you began.



Would more predictable income better suit your retirement goals?

Even though the long-term trend for financial markets has been positive, what could happen to your retirement income if the markets go down?

Rebounding from a market decline:

- $100,000 starting value
- 3 year market decline 26.1% cumulative
- 35% return needed to get back to $100,000

Year	Market Return	Year-End Value
2000	- 6.17%	$93,830
2001	- 5.35%	$88,810
2002	- 16.76%	$73,926

And look what can happen when income is being withdrawn during a market decline:

- 3 year market decline 26.1% cumulative

Year	Market Return	5% Withdrawal/Yr Beginning of Yr	Year-End Value
2000	- 6.17%	$5,000	$89,139
2001	- 5.35%	$4,457	$80,151
2002	- 16.76%	$4,008	$63,382

In 2002, due to negative market declines, a 5% withdrawal generated only $4,008. This means it would take a 58% return to increase the principal back to the original amount so that the 5% annual withdrawal would again equal $5,000.

These examples are hypothetical and for informational purposes only. They are not intended to depict any specific financial product. The market return percentages refer to movements in the Dow Jones Industrial Average for the timeframe indicated. The use of other timeframes, market movements and withdrawal assumptions would produce significantly different results.

Rising costs and unexpected expenses can make planning your retirement income even more challenging.

How much will retirement cost?

The amount of retirement income you need may be greater than you expect. Inflation is an important consideration because it can result it diminished purchasing power for your retirement savings. Remember, with healthier lifestyles, medical breakthroughs, and longer life expectancies, your retirement may last many years into the future. Over time, your income needs may change.

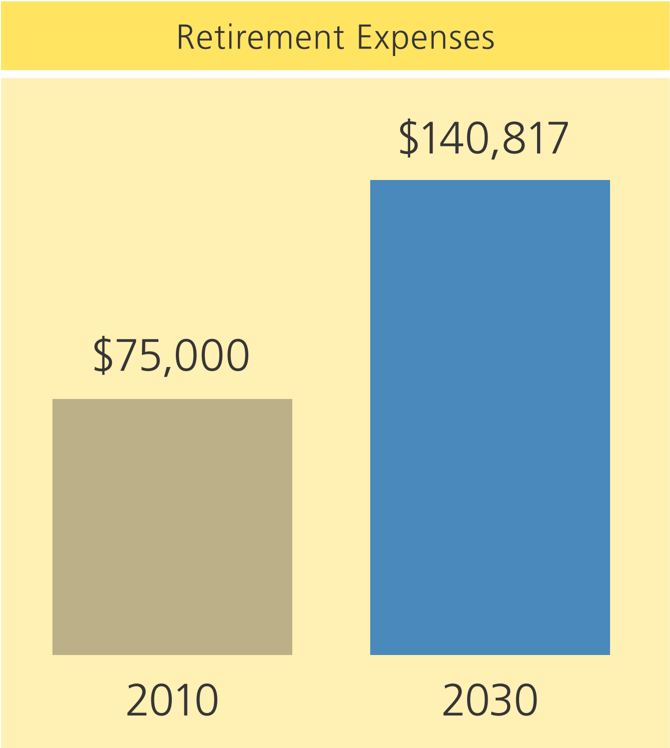
"Over the past 80 years, inflation has averaged about 3.2% annually. In fact, assuming the same rate of inflation over the next 20 years, retirement expenses would nearly double!"

Ibbotson and Associates, 2008 Stocks Bonds and Inflation Yearbook



How should successful people like you address concerns like:

- Outliving your assets?
- Maintaining your lifestyle?
- Avoiding market losses or the challenge of facing declining income in uncertain markets?



Hypothetical Assumptions
For example, if you planned on $75,000 in expenses in 2009, that may become $140,817 in expenses in 20 years, assuming 3.2% inflation annually.

In these times, probably no other subject receives more attention than rising health care costs and related insurance premiums. Over the course of your retirement, the cumulative amount of those costs could be significant.

"The Employee Benefit Research Institute has estimated that if trends continue, a typical retiree couple who is age 65 now will have to allocate about $210,000 of his/her nest egg just for out-of-pocket medical costs, including premiums for Medicare (Parts B & D) and Medigap Insurance to supplement Medicare and median out-of-pocket drug expenses."
EBRI "Notes", June 2009

Sound challenging?
It doesn't have to be.



The Balanced**Allocation** Income Advantage™ rider is built on strong guarantees:

- Guarantee that you will not outlive your Lifetime Income Withdrawals under rider provisions[2]
- Guarantee that your Lifetime Income Withdrawals will not decline due to market volatility

These are in addition to the guarantees you have in the Balanced**Allocation** Annuity™, which include:

- Guarantee that your interest earnings will not be lost due to market volatility
- Guaranteed return of principal at end of the withdrawal charge period, assuming no withdrawals

By safeguarding your retirement income and addressing today's retirement planning priorities, you may be able to create a more comfortable retirement. Balanced**Allocation** Income Advantage™ puts you in control and helps address your major challenges of income planning.

[2] Subject to terms of the Balanced**Allocation** Income Advantage™ rider. See the rider and Summary Disclosure. The Balanced**Allocation** Income Advantage™ is issued and backed by the strength of Aviva Life and Annuity Company not guaranteed by any bank or the FDIC.

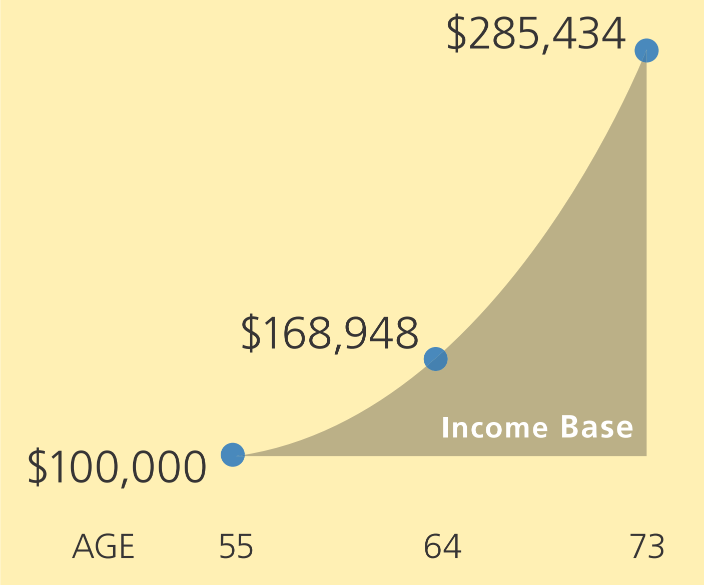
Addressing today's complex retirement planning priorities.

The BalancedAllocation Income Advantage™

1 2 3 +

The Balanced**Allocation** Income Advantage™ rider provides the security of a Minimum Guaranteed Income Base. **This benefit ensures your foundation for future income security by guaranteeing your Income Base will accumulate at 6% each year regardless of market conditions during the Accumulation Period.** Assuming you keep the Income Advantage in effect, the accumulation stops at the earlier of 18 years (if the 8 year extension is elected) or when Lifetime Income Withdrawals begin, then the Maximum Income Base can grow to almost 300% of the Initial Income Base[3].

Your Income Base Will Accumulate At 6% Each Year Regardless Of Market Conditions



Your Income Base

Your Income Base is the value upon which your Lifetime Income Withdrawals are based. The Income Base is only accessible through Lifetime Income Withdrawals that you can start and stop and restart. It is not payable as a cash surrender value. **The Income Base is not the same as the Accumulation Value of the BalancedAllocation Annuity™ contract.**

This benefit is made possible largely due to the fact that growth is applied to the Income Base which provides Aviva the opportunity to manage the contract over the owner's life expectancy.

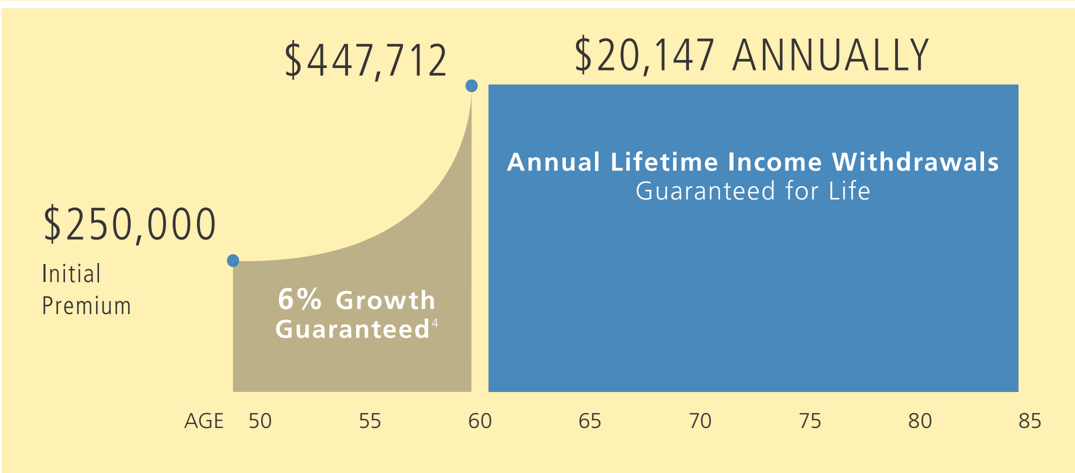
[3] See Balanced**Allocation** brochure and Summary Disclosure for full details. The guaranteed growth on the Income Base ceases when withdrawals are initiated under the Rider provisions.

Insure what's important to you.

The Advantage

No matter what happens in financial markets, Balanced**Allocation** Income Advantage™ ensures your Lifetime Income Withdrawals won't go down due to market volatility.

Balanced**Allocation** Income Advantage™

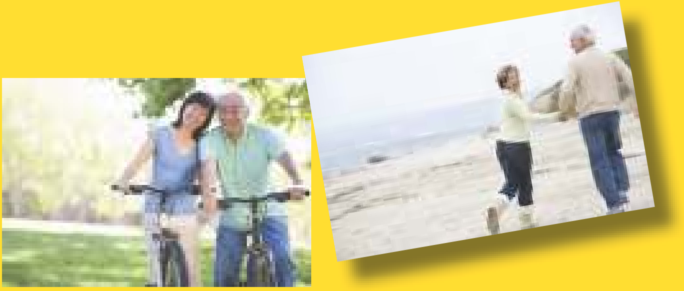


Hypothetical Assumptions

For example, if you started with a $250,000 initial premium at age 50 and you begin Lifetime Income Withdrawals on a single life basis at age 60, you would draw 4.5% of your Income Base or up to $20,147 annually for life, even if the Accumulation Value of the base Contract drops to zero.

To help protect against the unexpected, you insure what is important to you – whether it's your car, your home or even your life. Shouldn't you consider doing the same with your retirement income?

[4] This hypothetical example is for informational purposes only. The use of alternate rate, premium and withdrawal assumptions could produce significantly different results. The 6% guaranteed accumulation stops at the earlier of 10 years, or 18 years if the 8 year extension is elected, or when Lifetime Income Withdrawals under the rider begin.



Income You Cannot Outlive

Choice

Lifetime Income Withdrawals begin when you decide. Once started, they are guaranteed for your lifetime and your spouse's lifetime, if you choose. You can also stop and restart the Lifetime Income Withdrawals if your life circumstances change.

Age	Guaranteed Income Base[5]	Lifetime Income Withdrawals	Cumulative Income
50	$250,000		
55	$334,556		
60	$447,712	$20,147	$20,147
65		$20,147	$120,882
70		$20,147	$221,617
75		$20,147	$322,352
80		$20,147	$423,087
85		$20,147	$523,822

Hypothetical Assumptions

For example, if you started with a $250,000 initial premium and you begin Lifetime Income Withdrawals on a single life basis after Year 10 at age 60, you would draw 4.5% of your Income Base or up to $20,147 for life, even if the Accumulation Value drops to zero.

What About Lifetime Income?

With Lifetime Income Withdrawals, you can receive lifetime income from 3.5% to 7.5%, depending on your age at first withdrawal. Depending on whether you need income now or can wait, Balanced**Allocation** Income Advantage™ can provide a guarantee of income increases. The longer you wait to start taking Lifetime Income Withdrawals, the higher your guaranteed Lifetime Income will be. See the "Lifetime Income Withdrawal Percentage Table" later in this brochure for details.

[5] The guaranteed growth of the Income Base ceases when withdrawals are initiated under the Rider provisions.

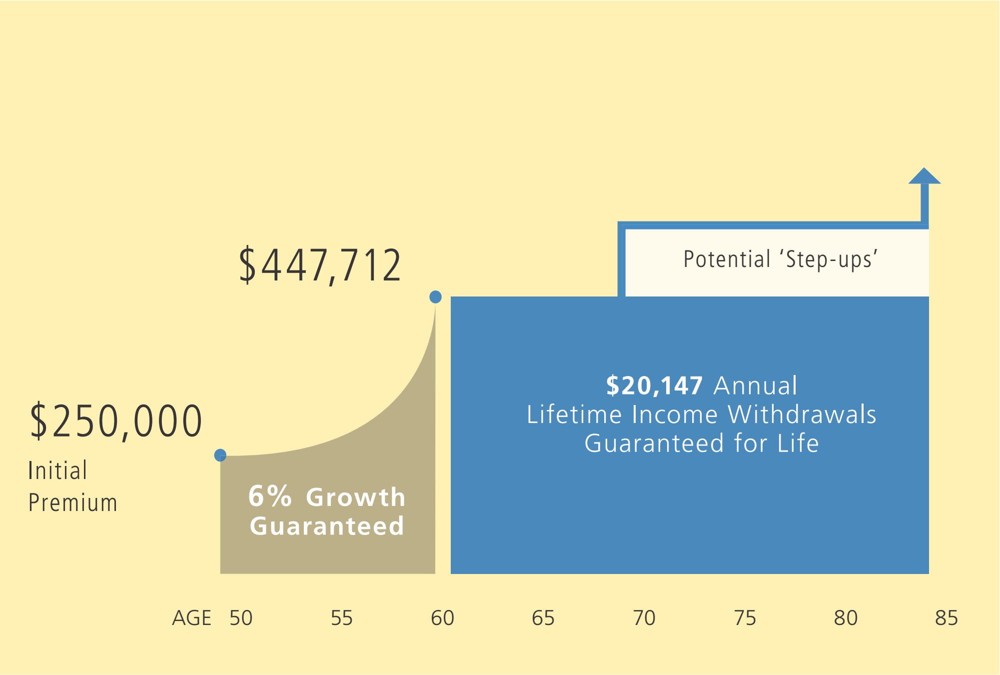
Potential "step-up" in your Lifetime Income.

What a Difference the Balanced Allocation Strategy® Can Make

1 2 3 +

It's the best of two worlds: Strong guaranteed growth in the Income Base complemented by indexed earnings that offer potential future income increases.

Future Income Increase Potential



Hypothetical Assumptions

Assumes no withdrawals under the base Contract. This hypothetical example is for informational purposes only. The use of alternate rate, premium and withdrawal assumptions could produce significantly different results.

Due to the innovative design in Balanced**Allocation** Annuity™ products, your guaranteed income could increase if the Balanced Allocation Strategy® of the base annuity Contract generates sufficient Accumulation Value. You could participate in future 'step-ups' in your Lifetime Income Withdrawals on each contract anniversary[6].

[6] On each Anniversary, if the Accumulated Value of the Base Contract multiplied by the Maximum Annual Withdrawal Percentage produces an amount greater than the Maximum Annual Withdrawal Amount, the Maximum Annual Withdrawal Amount is automatically "stepped-up" and increased to the new amount.



Confinement Benefit: Twice the Income When Your Family Needs it Most

1 2 3 +

You may have asked yourself, "Where would my family find additional income to manage my long-term health care expenses?" The Balanced**Allocation** Income Advantage™ rider gives you an answer.

Regarding Long-Term Care Expenses

Long-term care is a leading cause of catastrophic out-of-pocket costs. Nearly a fifth of older people will incur more than $25,000 in lifetime out-of-pocket long-term care costs before they die.

"Meeting Long-Term Care Needs of the Baby Boomers"
- Urban Institute, May 2007

Eligibility

To receive this benefit, you must be confined to a qualified care facility for 180 days in a 250 day period. Although the qualifying confinement period can begin during the first Contract Year, the increased Withdrawal Percentage is not available until the second Contract Year. In addition, you must be confined at the time of the Income Withdrawal to receive this increased income percentage. Once the confinement period ends, the Rider Withdrawal Percentage will adjust back to the original income percentage. There is no additional charge for this valuable feature. This benefit is not long term care insurance, nor is it a substitute for such coverage.

The Benefit Will Double Your Lifetime Income Withdrawal, Including Any Future Increases, Should You Become Eligible[7]

$20,147 ANNUALLY

Guaranteed Withdrawal (at age 78)

ONCE YOU QUALIFY

$40,294 ANNUALLY

Doubled

Hypothetical Assumptions

This hypothetical example is for informational purposes only. The use of alternate rate, premium and withdrawal assumptions could produce significantly different results.

Twice the income when your family needs it most!

[7] Availability varies by state. See "Disclosure Summary" for additional details.

Where would the Balanced**Allocation** Income Advantage™ fit in your current retirement portfolio?

Can we customize an income plan for your future income needs?

The Balanced**Allocation** Annuity™ with the Income Advantage Rider can be a valuable addition to your overall approach to retirement savings. When considering your own personal needs and objectives, take a look at Income Advantage as an important complement to traditional retirement vehicles such as:

- Money Market Funds
- Certificates of Deposit
- Traditional Annuities
- Bonds
- Mutual Funds
- Qualified Plans and IRAs

let's check and see…

When would you like your income to begin?

Lifetime Income Withdrawal Percentage Table

Attained Age[8]	Maximum Annual Withdrawal Percentage (Single Life)	Maximum Annual Withdrawal Percentage (Joint Life)
50-54	3.5%	3.0%
55-59	4.0%	3.5%
60-64	4.5%	4.0%
65-69	5.0%	4.5%
70-74	5.5%	5.0%
75-79	6.0%	5.5%
80-84	6.5%	6.0%
85-89	7.0%	6.5%
90+	7.5%	7.0%

[8] Attained age of younger annuitant for joint annuitant contracts. Based on your Attained Age, the corresponding Maximum Annual Withdrawal Percentage determines your Lifetime Income Withdrawals.

The Value of Advice

What you do now may significantly impact you and your family. We encourage you to consult with your tax professional and other advisors.These professionals have the insight and expertise to help you make the right decisions for your unique financial and tax situation.

You are in control!

We are honored that you've put your trust in Aviva. We won't let you down.

As you read this, thousands of Aviva associates are focused on our three-letter mission statement:

You

We're making business and investment decisions that will ensure we can meet our obligations to you and your loved ones.

We're developing new ways to provide better service to you.

We're challenging ourselves to reinvent the way we look at life insurance and annuities, so we can continue to meet the financial needs of a changing world—your world.

Most of all, we're drawing on the experience we've gathered from our more than 300-year legacy. As the oldest continuously operating insurance group in the world, Aviva has endured and thrived through centuries of war and peace, booms and recessions and constant change. The highs and lows have taught us to be prepared so you can count on us, especially during times of uncertainty.

We never forget that our business is about the people we insure. It's about you. We want to help you achieve peace of mind and prosperity with Aviva.

You can count on us to be here when you need us.

Aviva Life and Annuity Company one of the fastest-growing life insurers in the United States. Aviva USA is part of Aviva plc, the world's fifth-largest insurance group, with a corporate lineage dating back to 1696. The Balanced**Allocation** Annuity™ is issued by Aviva Life and Annuity Company and provides many important guarantees.

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Fixed indexed annuities are not stock market investments and do not directly participate in any stock or equity investments. Market Indices do not include dividends paid on the underlying stocks, and therefore do not reflect the total return of the underlying stocks; neither an Index nor any market-indexed annuity is comparable to a direct investment in the financial markets. Clients who purchase indexed annuities are not directly investing in a stock market index.

Withdrawals in excess of the free amount taken prior to a lock-in date will not realize any interest for that term, are subject to withdrawal charges and a market value adjustment and will forfeit any premium bonus associated with such withdrawal as well as any interest accrued during that term that is attributed to the excess amount. Taxable amounts withdrawn prior to age 59½ may be subject to a 10% IRS penalty.

The Balanced**Allocation** Income Advantage™ [form BAAIR (09/09) or state variation], an optional rider for which a charge is deducted is issued by Aviva Life and Annuity Company, West Des Moines, IA and is not available without the purchase of the Balanced**Allocation** Annuity™ [form BAA8 (09/09) and BAA12 (09/09) or state variation] Product features, limitations and availability vary by State; see the Summary Disclosure for details.

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