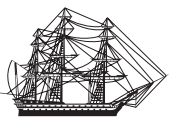


Steady income with growth potential and market protection

Guaranteed Lifetime Withdrawal Benefit
through the Vanguard Variable Annuity

5156 (09/11)



Vanguard[®]



Get guaranteed withdrawals that can increase—but will never go down

Enjoy dependable cash flow during retirement with a GLWB

The Guaranteed Lifetime Withdrawal Benefit (GLWB) rider available through the Vanguard Variable Annuity can help ensure you'll have the retirement income you need for the rest of your life. Issued and guaranteed by Monumental Life Insurance Company and, in New York State only, by Transamerica Financial Life Insurance Company, the GLWB, which offers Vanguard investments, combines the growth potential of a variable annuity with a guarantee that your withdrawals will never drop below a certain level.*

While immediate annuities (also known as income annuities) require you to permanently surrender the

investment amount to an insurance company in exchange for a stream of payments, a deferred variable annuity with a GLWB rider gives you greater flexibility and control. You can start, stop, or skip withdrawals at any time, and can make additional withdrawals whenever you like (unless you exceed your annual withdrawal amount).** Even if annual withdrawals ultimately deplete the accumulated value, you'll still receive guaranteed payments for life.

As an added bonus, your annual withdrawals will be protected against any investment losses due to an economic downturn. They'll never go down, even if the market drops significantly. And when the market rises, your annual withdrawal amount can rise along with it.

A history of strength behind the guarantee

Founded in 1858 and 1947, respectively, Monumental Life Insurance Company and Transamerica Financial Life Insurance Company have high ratings for financial strength from the leading independent rating agencies, and stand behind the guarantee of payments for life. To find out more, visit monlife.com and transamerica.com.

*Product guarantees are subject to the claims-paying ability of the issuing insurance company.

**Any withdrawal taken before age 59½ could be subject to a 10% federal penalty tax. Excess withdrawals will reduce the income from the GLWB. GLWB withdrawals can begin following the rider anniversary after the annuitant turns age 59 (based on the younger spouse for joint life options).

Is the GLWB right for you?

If you're in or near retirement and thinking about your future income stream, the GLWB may be something for you to consider as part of your plans. Some investors are very comfortable with drawing down their portfolio on their own; others worry that they may outlive their assets. If you're part of the latter group, you may wish to think about purchasing a GLWB.

A GLWB can be purchased with either qualified (pre-tax) or non-qualified (after-tax) money. Qualified assets (money from an IRA or 401(k)) generally should only be used to purchase an annuity if you're looking for the guarantee of a GLWB since there are extra insurance costs associated with annuities.

The GLWB is an optional rider that can be added to the Vanguard Variable Annuity for an additional fee at any time (prior to age 90). You get the double advantage of an insurance company guarantee combined with low-cost Vanguard investments. The GLWB can help ensure that you'll have the retirement income you need for

the rest of your life by combining the growth potential of a variable annuity with a guarantee that your withdrawals will never drop below a certain level due to market fluctuations.

Consider the GLWB if you:

- Want guaranteed lifetime income without losing control of your assets.
- Would like withdrawals based on single or joint lives with the potential for growth.
- Want the flexibility to start, stop, or skip withdrawals at any time.*
- Want to benefit in retirement from market upturns while being protected from market downturns.

How the GLWB works

When electing the GLWB, you can select from three GLWB-eligible investments from Vanguard: the Balanced Portfolio (60–70% stocks/30–40% bonds), the Moderate Allocation Portfolio (60% stocks/40% bonds), and the Conservative Allocation Portfolio (40% stocks/60% bonds).

*GLWB withdrawals can begin following the rider anniversary after the annuitant turns age 59 (based on the younger spouse for joint life options).



You can wait and allow the money in your designated investments the opportunity to grow, or you can elect to start GLWB withdrawals following the rider anniversary after the annuitant (named by the owner of the annuity contract; the annuitant and owner are often the same person) turns age 59 (based on the younger spouse for joint life options).

The amount that you can withdraw each year will be determined by your total withdrawal base (TWB) and your age when you start taking withdrawals. The TWB on your rider date is equal to the accumulated value in your designated investments.* On each rider anniversary, your TWB will be the greater of your current TWB and the accumulated value in your designated investments.

Here's an example of how the GLWB can benefit you

The annuitant of a variable annuity with a total withdrawal base of \$150,000 elects to purchase the GLWB rider when he's 65, and he immediately begins taking withdrawals at a 5% withdrawal rate. He could then be assured of annual withdrawals totaling at least \$7,500 per year for life, based on the value of his designated investments when he elected the benefit. Even if the total value of the investments falls because of poor market performance, the \$7,500 of withdrawals could continue.

This example assumes that the annuitant didn't take excess withdrawals from his designated investments during the year. The GLWB can be of great value to investors looking for guaranteed income, but it's important to know that excess withdrawals beyond the maximum annual withdrawal amount will reduce the income and the guarantee provided by the GLWB.

*Purchases in other portfolios offered through the Vanguard Variable Annuity aren't included when determining your total withdrawal base and lifetime withdrawals. Any withdrawals taken before age 59½ could be subject to a 10% federal penalty tax. Exchanges out of the designated investments are considered withdrawals and reduce your payments; transfers in give you the ability to receive higher payments. If you withdraw less than the maximum annual withdrawal amount in a rider year, the unused portion cannot be carried over to the next year.

Withdrawals won't decline with the markets

To figure your maximum annual withdrawal amount (MAWA) each year, multiply your withdrawal percentage by your TWB. The table below summarizes the allowable withdrawal percentages based on the age of the annuitant for both the single and joint options.

The current annual fee for the GLWB rider is 0.95%, which applies whether you choose the single or the joint option.*

Your benefit grows along with investment gains. Your lifetime withdrawals can increase if you have gains in the designated investments you've chosen. Gains can increase your TWB and, hence, the amount of your benefit, as shown in the example on page 5. If there are gains, your benefit automatically goes up on the anniversary of the date you elected the GLWB rider.

Your benefit is protected from investment losses. During a period of market declines, you can have confidence that your available withdrawal amount won't decrease (unless you exceed your MAWA).** This can be comforting in uncertain times.

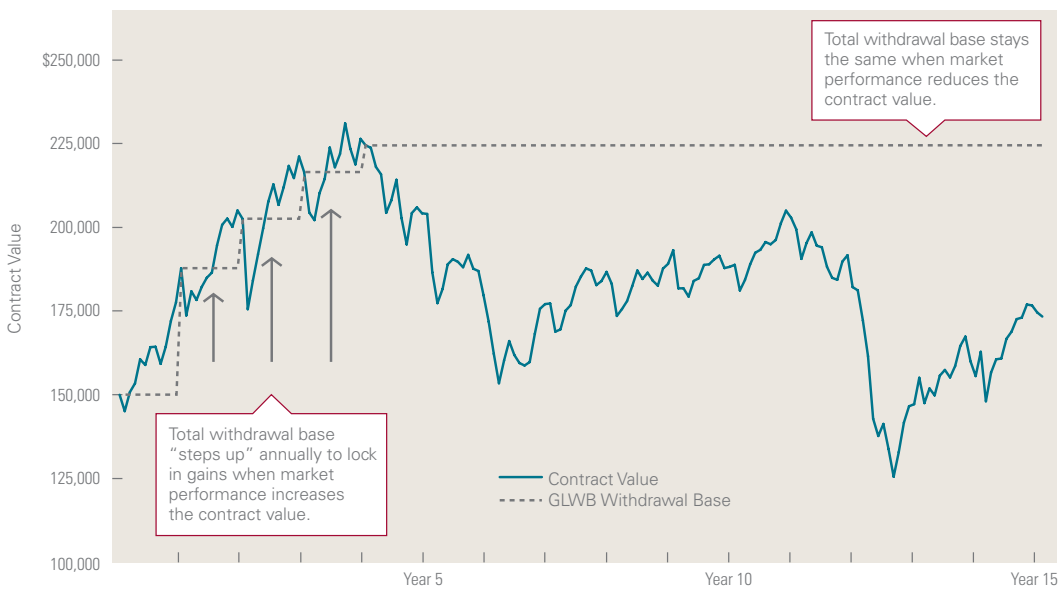
Annual withdrawal percentages

Attained age at first withdrawal	Single withdrawal percentages	Joint withdrawal percentages
59–64	4.50%	4.00%
65–69	5.00%	4.50%
70–79	5.50%	5.00%
80+	6.50%	6.00%

*The annual fee of 0.95% of the TWB applies for the GLWB. For payment of the GLWB rider fee, the date used will be the date the contract is issued with the rider or the next contract quarter date after the GLWB rider election has been received in good order. The GLWB rider fee will be deducted every three months after this date. For example, if a GLWB rider election is received on March 15 for an existing contract with an anniversary date of February 11, the rider will become effective on May 11, and the quarterly GLWB fee will be deducted May 11, August 11, November 11, and February 11 every rider year. The rider fee for future premium payments into the designated GLWB investments could be higher or lower, but not more than the maximum of 2.0%.

**Excess withdrawals are the withdrawals greater than your MAWA and will reduce withdrawals from your GLWB.

How the GLWB provides growth potential and market protection



This example shows how the GLWB offers growth potential and market protection. The GLWB withdrawal base increases when markets go up and remains the same when markets go down. This illustration is based on historical performance data from July 31, 1996, through July 31, 2011, for a portfolio made up of 60% stocks (Dow Jones U.S. Total Stock Market Index) and 40% bonds (Barclay's U.S. Aggregate Bond Index) with an initial total withdrawal base of \$150,000. The example also assumes a 5% annual withdrawal rate. The cost of the GLWB is not included in the calculation. Note that excess withdrawals beyond the maximum annual withdrawal amount will reduce the income and the guarantee provided by the GLWB. Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

The GLWB can help you draw down your retirement assets

If you withdraw from your retirement assets without a clear plan, you can easily run out of money, and market volatility can erode your savings. If you wish to roll your retirement IRA or 401(k) assets into a GLWB in the Vanguard Variable Annuity, you'll be assured that your withdrawals will always be there year after year for as long as you live—even if your original investment is depleted.



Why choose the GLWB through Vanguard?

When you consider the flexibility and attractive costs of using a GLWB through the Vanguard Variable Annuity, you may find that this option provides you with the confidence you need to navigate retirement through the years ahead.

Low costs. With a Vanguard Variable Annuity, you keep more of what you earn because the annual costs are about 75% below the industry average.* When you add the current 0.95% annual fee for the GLWB rider, we believe you'll still find the costs to be very competitive in the marketplace. Another advantage of the Vanguard Variable Annuity is that there are no sales commissions.

Potential for higher withdrawals. Benefit from Vanguard's expertise by selecting from three designated investments for the GLWB: the Balanced Portfolio, the Moderate Allocation Portfolio, and the Conservative Allocation Portfolio. You'll benefit from the potential for higher withdrawals when the market rises, while having assurance that your withdrawals will never go down (unless you take excess withdrawals) if markets and investment options decline.

Highly rated issuers. Annuity contracts are issued and guaranteed by Monumental Life Insurance Company and, in New York State only, by Transamerica Financial Life Insurance Company. Both are highly rated by the major rating agencies for their financial strength and stability.

Access to your investment. Unlike many other variable annuities, you'll have the flexibility to cancel the GLWB rider at any time, so that you have complete, unrestricted access to your money in an emergency (subject to normal tax regulations).

No surrender charges. Gain flexibility and save money because the Vanguard Variable Annuity has no surrender charges.

Unbiased assistance. Our licensed specialists don't work on commission, so you know you'll get unbiased assistance with your retirement savings and income needs.

Keep in mind that variable annuities are long-term retirement savings vehicles subject to market fluctuation, investment risk, and loss of principal. Please consider this, and the potential tax liabilities and penalties for early withdrawals, before investing.

*Morningstar, Inc., December 2010. The Vanguard Variable Annuity has an average expense ratio of 0.59% versus the annuity industry average of 2.42%.

Transferring a variable annuity to Vanguard

If you have a variable annuity outside of Vanguard, you may be paying too much and leaving your annuity open to downside market risk. When you make a tax-free transfer (called a 1035 exchange) to the Vanguard Variable Annuity and add the GLWB, you may pay less overall and have the potential for higher withdrawals.

Use our cost-comparison calculator (vanguard.com/annuitycalculator) to find out how much you could save if you move your existing annuity to Vanguard.

Before making a decision to switch to another annuity—including the Vanguard Variable Annuity—you should consider all costs such as annual maintenance fees, surrender charges, death benefits, and the financial strength of the insurance carrier.



Get started

Buying or transferring an annuity is easy with Vanguard's help. To learn more, go to [vanguard.com/annuities](https://www.vanguard.com/annuities) or call us at **800-522-5555** on business days from 8 a.m. to 8 p.m., Eastern time. We'll help you compare fees and policy provisions and determine if any surrender charges apply if you choose a 1035 exchange. We'll also help you complete the paperwork.





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The underlying risks, financial obligations, and support functions associated with the products are the responsibility of the issuing insurance company. The issuing insurance company is responsible for its own financial condition and contractual obligations.

For more information about Vanguard variable annuity products, visit vanguard.com or call 800-522-5555 to obtain fund and variable annuity contract prospectuses. Investment objectives, risks, charges, expenses, and other important information about the product are contained in the prospectuses; read and consider them carefully before investing.

All investments are subject to risk. Investments in bond portfolios are subject to interest rate, credit, and inflation risk.

Ratings of the insurance company don't apply to the Vanguard portfolios and don't provide protection against investment risk.

The underwriting risks, financial obligations, and support functions associated with the products are the responsibility of the issuing insurance company. The issuing insurance company is responsible for its own financial condition and contractual obligations.

The Vanguard Variable Annuity is a flexible-premium variable annuity issued by Monumental Life Insurance Company, Cedar Rapids, Iowa (NAIC No. 66281), and in New York State only, by Transamerica Financial Life Insurance Company, Harrison, New York (NAIC No. 70688). Form No. VVAP U 1101 (in Florida, Form No. VVAP U 1101 (FL), Oregon, Form No. VVAP U 1101 (OR) (R), and New York VVA NY 0208). GLWB Rider Form No. RGMB 43 0811 (in Florida, RGMB 43 0811 (SI) (FL), RGMB 43 0811 (JT) (FL), Oregon RGMB 43 0811 (SI) (OR), RGMB 43 0811 (JT) (OR), and in New York RGMB 43 0811 (SI)(NY), RGMB 43 0811 (JT)(NY)) without agent representation. Policy and rider form numbers may vary by state and may not be available in all states. The Vanguard Group administers the Vanguard Variable Annuity for the issuer. Its variable annuity and investment costs rank among the lowest in the industry, according to Morningstar, Inc., December 2010. The Vanguard Group, Monumental Life Insurance Company, and Transamerica Financial Life Insurance Company do not provide tax advice. Investors are encouraged to consult a tax advisor for information on how annuity taxation applies to their individual situations.

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