

Face Amount of a Contract plus the excess of Account Value on the date of death over a Contract's "Benchmark Value" for the applicable Contract Year, adjusted to the date of death until the Anniversary nearest the insured's 100th birthday. Under either Option, Death Benefits are guaranteed not to be less than a Contract's then-current Face Amount as long as Premium Payments are made, or excused, and there is no outstanding Contract Debt. If, however, a greater Death Benefit would be provided under either one of two "Alternative Death Benefits," (a) the minimum death benefit required under Section 7702 of the Code, or (b) the variable insurance amount, then the greater Alternative Death Benefit will be paid. Thus, the Death Benefit under either Option 1 or Option 2 varies with investment experience when the Account Value is sufficiently large that: (a) the Death Benefit is increased in order for a Contract to qualify as life insurance for federal tax law purposes; or if greater, (b) the Death Benefit is increased to the variable insurance amount. This may occur because of favorable investment experience, unscheduled Premium Payments, imposition of lower than guaranteed charges, or a combination of these factors.

6. Various fees and expenses are deducted from Premium Payments under the Contracts:

a. Premium Charges: The following charges are deducted from each Premium Payment:

(1) *Sales Charge*: A Premium Sales Charge equal to 6.0% of all Premium Payments until the cumulative total of all such Payments is equal to twelve Basic Scheduled Premiums; thereafter, the charge will be equal to 3.0% of all such payments.

(2) *Premium Tax Charge*: A State Premium Tax Charge of 2.5% which is an approximate average of the rates Guardian expects to pay in all states over the lifetime of the insureds covered by the Contracts. Guardian reserves the right to increase if its premium taxes increase due to a change in state law.

(3) *Federal Premium Tax Burden Charge*: A charge of 1.0% to compensate Guardian for an increase in its federal income tax burden resulting from the application of Section 848 of the Internal Revenue Code of 1986 ("Code"), as amended by the Omnibus Budget Reconciliation Act of 1990 ("OBRA").

(4) *Processing Charge*: Guardian reserves the right to impose a maximum charge of \$2.00 from each unscheduled Premium Payment received for processing costs, including recordkeeping. Guardian does not expect a profit from this fee, if imposed.

b. *Transaction Charges*: The following charges are deducted proportionately from Account Value attributable to the Investment Divisions until the Account value is depleted, and then from the Fixed-Rate Option:

(1) *Surrender Charge*: A Contingent Deferred Sales Charge ("CDSC") and a Contingent Deferred Administrative Charge ("CDAC") are deducted during

the first 12 Contract Years upon withdrawal, surrender, reduction in Face Amount, or lapse.

(A) CDSC:⁵ For an insured age 78 or less, the lesser of (i) 36% of the annual Basic Scheduled Premium payable for the first Contract Year, less the sum of 3% of all Basic Scheduled Premiums and unscheduled Premium Payments actually paid under the Contract up to the date that the Surrender Charge is incurred and any deferred sales charges deducted for prior Face Amount reductions; or (ii) a percentage of the then payable annual Basic Scheduled Premium specified in the following chart for the Contract Year during which the Surrender Charge is applied:

Contract year ⁶	Percentage
1	36
2	33
3	30
4	27
5	24
6	21
7	18
8	15
9	12
10	9
11	6
12	3
13+	0

(B) CDAC: The CDAC compensates Guardian for certain administrative expenses as follows (per \$1,000 Base Contract Face Amount), subject to certain decreases associated with a reduction in Face Amount:

ADMINISTRATIVE SURRENDER CHARGE

Year (ages)	1	2	3	4	5	6	7	8	9	10	11	12	13+
00-27	2.4	2.20	2.0	1.80	1.6	1.40	1.2	1.00	0.8	0.60	0.4	0.20	.00
28-29	3.0	2.75	2.5	2.25	2.0	1.75	1.5	1.25	1.0	0.75	0.5	0.25	.00
30-31	3.6	3.30	3.0	2.70	2.4	2.10	1.8	1.50	1.2	0.90	0.6	0.30	.00
32-33	4.2	3.85	3.5	3.15	2.8	2.45	2.1	1.75	1.4	1.05	0.7	0.35	.00
34-80	4.8	14.40	4.0	3.60	3.2	2.80	2.4	2.00	1.6	1.20	0.8	0.40	.00

(2) *Partial Withdrawal Administration Charge*: The lesser of \$25 or 2% of the amount withdrawn for certain administrative costs. Guardian does not expect to profit from this charge.

(3) *Transfer Charge*: Guardian reserves the right to deduct \$25 for each transfer in excess of four transfers during a Contract Year. No transfer charge will be imposed in connection

with dollar cost averaging feature or loans. Guardian does not expect to profit from this charge.

(4) *Premium Skip Option Charge*: An amount equal to 90.5% of any Premium Assessment that otherwise would be deducted from an annual Premium will be deducted on each Contract Anniversary on which the "skipped" Premium otherwise would be due or, if

later, on the date the Premium Skip Option is effected. The remaining 9.5% is deducted as part of the Premium Charges for any unscheduled Premium Payment.

c. *Monthly Deductions*: The following charges are deducted monthly proportionately from Account Value attributable to each Investment Division and the Fixed-Rate Option, ending on

⁵ The total sales charge (Premium Sales Charge and CDSC) is subject to a maximum of 9% of Basic Scheduled Premiums paid under the Contract over the shorter of 20 years or the insured's anticipated life expectancy.

⁶ In order to preclude the possibility that Guardian would be required to refund any sales load, the Contracts provide that the CDSC imposed during the first two Contract Years will be no greater than the sum of: 24% of payments made during the first Contract Year up to an amount

equal to an annual Basic Scheduled Premium; plus 4% of payments made during the second Contract Year up to an amount equal to an annual Basic Scheduled Premium; plus 3% of all unscheduled payments made during the first two Contract Years.