

will be registered under the 1940 Act as a Unit Investment Trust and the Contracts thereunder will be registered under the 1933 Act.

3. The Separate Account and each of its portfolios is administered and accounted for as part of the general business of First SunAmerica, but the income, gains or losses of each portfolio are credited to or charged against the assets held in that portfolio in accordance with the terms of the Contracts, without regard to other income, gains or losses of any other portfolio or arising out of any other business First SunAmerica may conduct.

4. The Contracts are available for both retirement plans which do and do not qualify for the special federal tax advantages available under the Internal Revenue Code. Purchase payments under the Contracts may be made to the general account of First SunAmerica under one of the Contracts' fixed account options (the "Fixed Account"), the Separate Account, or allocated between them. The minimum initial purchase payment for a Contract issued on a non-qualified basis is \$5,000 and additional purchase payments may be made in amounts of at least \$500. The minimum initial purchase payment for a Contract issued on a qualified basis is \$2,000, additional purchase payments may be made in amounts of at least \$250.

5. If the contract owner dies during the accumulation period, a death benefit will be payable to the beneficiary upon receipt by First SunAmerica of due proof of death.

The standard death benefit is equal to the greater of:

(1) The contract value at the end of the valuation period during which due proof of death (and an election of the type of payment to the beneficiary) is received by First SunAmerica; or

(2) The total dollar amount of purchase payments, minus the sum of:
 (a) The total dollar amount of any partial withdrawals and partial annuitizations; and
 (b) Premium taxes incurred.

In addition, where permitted by state law, First SunAmerica will provide an enhanced death benefit after the seventh contract year. The enhanced death benefit is: (A) The greater of (1) the contract value at the end of the preceding contract year, plus purchase payments during the current contract year, or (2) the death benefit on the last day of the preceding contract year, minus (B) the total amount of withdrawals and partial annuitizations during the current contract year plus premium taxes incurred.

6. During the accumulation period, amounts allocated to the Separate Account may be transferred among the portfolios and/or the Fixed Account. The first fifteen transactions effecting such transfers in any contract year are permitted without the imposition of a transfer fee. A transfer fee of \$25 is assessed on the sixteenth and each subsequent transfer within the contract year. This fee will be deducted from contract values which remain in the portfolio (or the Fixed Account) from which the transfer was made. If such remaining contract value is insufficient to pay the transfer fee, then the fee will be deducted from transferred contract values. After the annuity date, contract values may be transferred from the Separate Account to the Fixed Account but not from the Fixed Account to the Separate Account. Applicants represent that the transfer fee is at cost with no anticipation of profit.

7. Although there is a "free withdrawal" amount, a contingent deferred sales charge, which is referred to as the withdrawal charge, may be imposed upon certain withdrawals. Withdrawal charges will vary in amount depending upon the contribution year of the purchase payment at the time of withdrawal in accordance with the withdrawal charge table shown below.

WITHDRAWAL CHARGE TABLE

Contribution year ¹	Applicable Withdrawal Charge percentage
Zero	7
First	6
Second	5
Third	4
Fourth	3
Fifth	2
Sixth	1
Seventh and later	0

The withdrawal charge is deducted from remaining contract values so that the actual reduction in contract value as a result of the withdrawal will be greater than the withdrawal amount requested and paid. For purposes of determining the withdrawal charge, withdrawals will be allocated first to investment income, if any (which generally may be withdrawn free of withdrawal charge), and then to purchase payments on a first-in, first-out basis so that all

¹ With respect to a given purchase payment, a Contribution Year is a calendar year starting from the date of the purchase payment in one calendar year and ending on the anniversary of such date in the succeeding calendar year. The Contribution Year in which a purchase payment is made is "Contribution Year Zero," and subsequent Contribution Years are successively numbered.

withdrawal are allocated to purchase payments to which the lowest (if any) withdrawal charge applies.

8. First SunAmerica deducts a distribution expense charge from each portfolio of the Separate Account during each valuation period which is equal, on an annual basis, to 0.15% of the net asset value of each portfolio. This charge is designed to compensate First SunAmerica for assuming the risk that the cost of distributing the Contracts will exceed the revenues from the withdrawal charge. In no event will this charge be increased.

The distribution expense charge is assessed during both the accumulation period and the annuity period; however, it is not applied to contract values allocated to the Fixed Account.

9. The annuity rates may not be changed under the Contract. For assuming the risks that (1) the life expectancy of an annuity will be greater than that assumed in the guaranteed annuity purchase rates, (2) for waiving the withdrawal charge in the event of the death of the contract owner, and (3) for providing both a standard and enhanced death benefit prior to the annuity date, First SunAmerica deducts a mortality risk charge from the Separate Account. The charge is deducted from each portfolio of the Separate Account during each valuation period at an annual rate of 1.02% of the net asset value of each portfolio. The portion of the total mortality risk charge attributable to First SunAmerica's assuming (1) and (2) and providing a standard death benefit is 0.9%; the balance of 0.12% is assessed for providing the enhanced death benefit. If the mortality risk charge is insufficient to cover the actual costs of assuming the mortality risks, First SunAmerica will bear the loss; however, if the charge proves more than sufficient, the excess will be a gain to First SunAmerica. To the extent First SunAmerica realizes any gain, those amounts may be used at its discretion, including offsetting losses experienced when the mortality risk charge is insufficient. The mortality risk charge may not be increased under the Contract.

10. A maintenance fee of \$30 is charged against each Contract. The maintenance fee will be assessed each contract year on the anniversary of the issue date of the Contract on or prior to the annuity date. In the event that a total surrender of contract value is made other than on such anniversary, the fee will be assessed as of the date of surrender without proration. This fee reimburses First SunAmerica for expenses incurred in establishing and maintaining records relating to the