

disregard the voting instructions of contract owners; or (g) if applicable a decision by a Qualified Plan to disregard voting instructions of its participants.

3. TPL (or any investment adviser to a Variable Series), and any Participating Insurance Company and Qualified Plan that executes a participation agreement, upon becoming an owner of 10 percent or more of the assets of any Variable Series (collectively, "Participants") will report any potential or existing conflicts to the Board. Such Participants will be responsible for assisting the Board in carrying out the Board's responsibilities under these conditions by providing the Board with all information reasonably necessary for the Board to consider any issues raised. This includes, but is not limited to, an obligation by each Participating Insurance Company to inform the Board whenever contract owner voting instructions are disregarded, and, if pass-through voting is applicable, an obligation by each Qualified Plan to inform the Board whenever it has determined to disregard Plan participant voting instructions. The responsibility to report such information and conflicts, and to assist the Board, will be contractual obligations of all Participating Insurance Companies under their participation agreements with the Trust, and these responsibilities will be carried out with a view only to the interests of the contract owners. The responsibility to report such information and conflicts, and to assist the Board, also will be contractual obligations of all Qualified Plans with participation agreements, and such agreements will provide that these responsibilities will be carried out with a view only to the interests of the Qualified Plan participants.

4. If it is determined by a majority of the Board, or a majority of the disinterested Trustees, that a material irreconcilable conflict exists, then the relevant Participating Insurance Company or Qualified Plan will, at its expense and to the extent reasonably practicable (as determined by a majority of the disinterested Trustees), take whatever steps are necessary to remedy or eliminate the material irreconcilable conflict, including: (a) Withdrawing the assets allocable to some or all of the Participating Separate Accounts from the relevant Variable Series and reinvesting such assets in a different investment medium, which may include another such Variable Series, (b) in the case of Participating Insurance Companies, submitting the question as to whether such segregation should be implemented to a vote of all affected contract owners and, as appropriate,

segregating the assets of any appropriate group (*i.e.*, VA Contract owners or VLI Contract holders of one or more Participating Insurance Companies) that votes in favor of such segregation, or offering to the affected contract owners the option of making such a change; and (c) establishing a new registered investment company or managed separate account. If a material irreconcilable conflict arises because of a decision by a Participating Insurance Company to disregard contract owner voting instructions, and that decision represents a minority position or would preclude a majority vote, then the Participating Insurance Company may be required, at the election of the Trust, to withdraw such Participating Insurance Company's separate account's investment in the relevant Variable Series, and no charge or penalty will be imposed as a result of such withdrawal. If a material irreconcilable conflict arises because of a Qualified Plan's decision to disregard participant voting instructions, if applicable, and that decision represents a minority position or would preclude a majority vote, the Qualified Plan may be required, at the election of the Trust, to withdraw its investment in the relevant Variable Series, and no charge or penalty will be imposed as a result of such withdrawal. The responsibility to take remedial action in the event of a Board determination of a material irreconcilable conflict and to bear the cost of such remedial action will be a contractual obligation of all Participants under their agreements governing participation in the Variable Series and this responsibility, in the case of Participating Insurance Companies, will be carried out with a view only to the interests of contract owners and in the case of Qualified Plans, will be carried out with a view only to the interests of Qualified Plan participants.

For purposes of this Condition 4, a majority of the disinterested Trustees will determine whether or not any proposed action adequately remedies any material irreconcilable conflict, but, in no event, will the Trust or TPL be required to establish a new funding medium for any VA Contract or VLI Contract. No Participating Insurance Company will be required by this Condition 4 to establish a new funding medium for any VA Contract or VLI Contract if an offer to do so has been declined by the vote of a majority of contract owners materially and adversely affected by the material irreconcilable conflict. Further, no Qualified Plan will be required by this Condition 4 to establish a new funding

medium for the Qualified Plan if (a) a majority of the Qualified Plan's participants materially and adversely affected by the irreconcilable conflict vote to decline such offer, or (b) pursuant to documents governing the Qualified Plan, the Qualified Plan makes each decision without a participant vote.

5. A Board's determination of the existence of material irreconcilable conflict and its implications will be made known in writing promptly to all Participants.

6. Participating Insurance Companies will provide pass-through voting privileges to all VA Contract and VLI Contract owners whose contracts are funded through a registered separate account so long as the Commission continues to interpret the Act as requiring such pass-through voting privileges. Accordingly, such Participating Insurance Companies, where applicable, will vote shares of the applicable Variable Series held in its Participating Separate Accounts in a manner consistent with voting instructions timely received from contract owners. Participating Insurance Companies will be responsible for assuring that each Participating Separate Account investing in a Variable Series calculates voting privileges in a manner consistent with other Participating Insurance Companies. The obligation to vote a Variable Series' shares and calculate voting privileges in a manner consistent with all other Participating Separate Accounts in a Variable Series will be a contractual obligation of all Participating Insurance Companies under their agreements governing their participation in such Variable Series. Each Participating Insurance Company will vote shares for which it has not received timely voting instructions, as well as shares attributable to it in the same proportion as it votes those shares for which it has received voting instructions. Each Qualified Plan will vote as required by applicable law and its governing documents.

7. As long as the Commission continues to interpret the Act as requiring pass-through voting privileges to be provided to VA Contract and VLI Contract owners, TPL and any of its affiliates will vote its shares of any Variable Series in the same proportion as all VA Contract and VLI Contract owners having voting rights with respect to the relevant Variable Series.

8. The Trust will comply with all provisions of the Act requiring voting by shareholders (including persons who have a voting interest in shares of the Variable Series), and, in particular, each such Variable Series will either provide