

UNDERSTANDING AND BENEFITING FROM FIXED INDEXED ANNUITIES

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WHAT IS A FIXED INDEXED ANNUITY?

An insurance contract that offers protection from market risk with the opportunity to earn interest credits based on the upside potential of a market index.

WHAT DO FIXED INDEXED ANNUITIES OFFER?

Your choice of interest credits based on changes in a market index or fixed interest option

Safety of principal and interest – no risk if held to term

Minimum interest rate GUARANTEED!

Tax-deferred growth

Access to your money

Probate-free death benefit

Lifetime income options

Asset allocation capabilities

HOW DO THEY EARN INTEREST?

Track a market index for a period of time (*usually one contract year*).

Apply a formula to determine any gain in the market index.

Credit interest at the end of the period (*usually each contract year*).
Interest can never be taken away due to poor market performance.

Interest compounds annually.

OTHER IMPORTANT BENEFITS

A downturn in the market will not hurt potential growth in subsequent years.

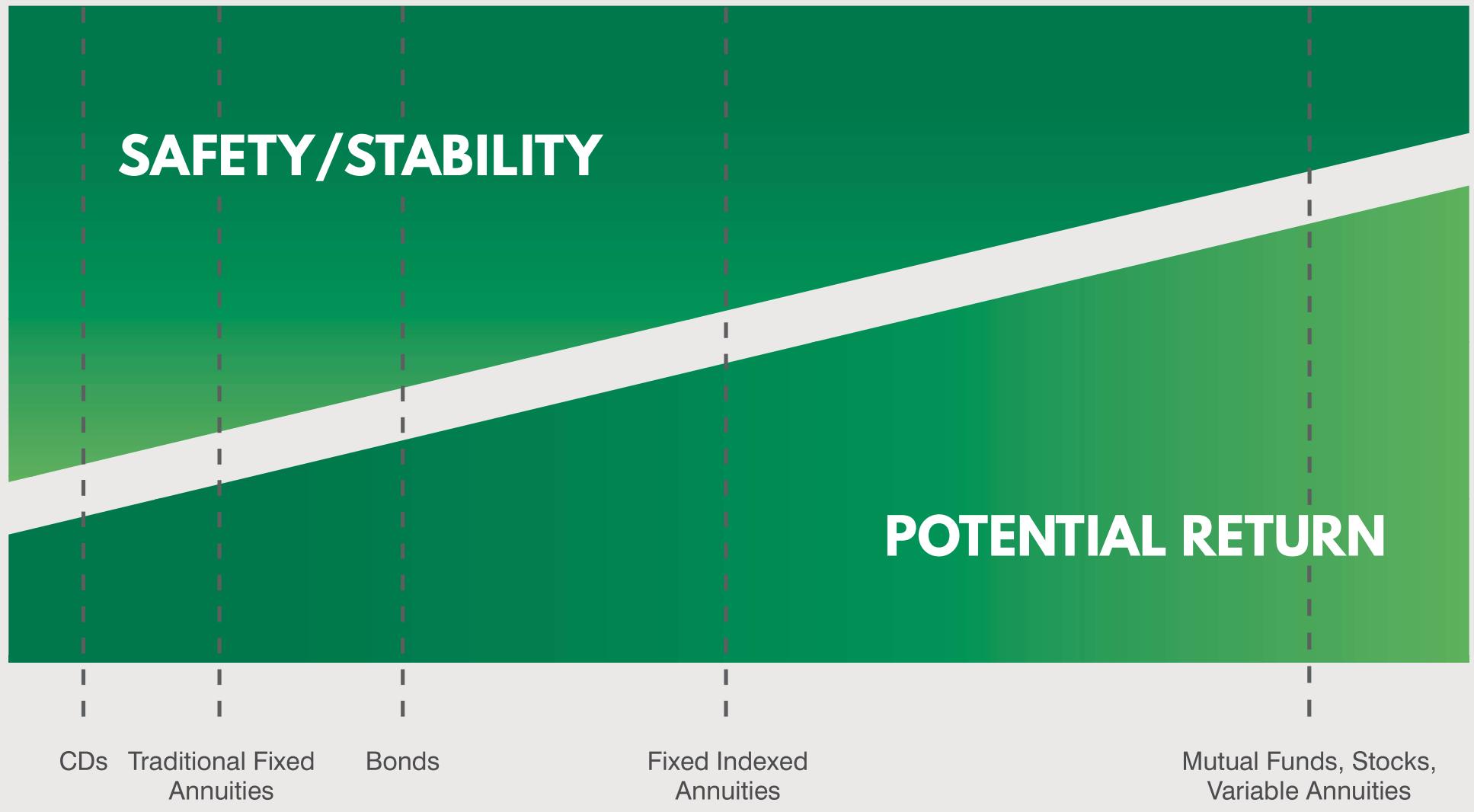
Any adjustment applied can never cause the annuity to lose previously credited interest.

Limited withdrawals may be available without triggering surrender charges or fees.

The death benefit may avoid the costs, delay and publicity of probate.

Several tax-favored income options are available, if desired.

CHOOSE YOUR RISK/REWARD PROFILE



RISK PROTECTION: YOUR CHOICES

\$100,000



S&P 500 INDEX



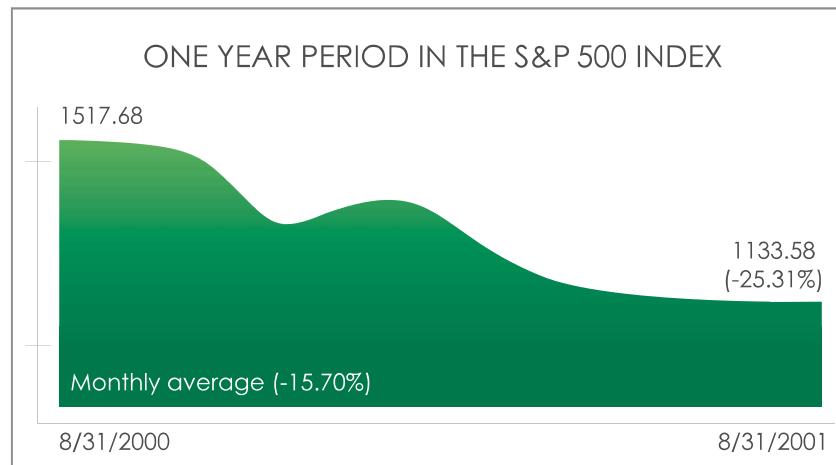
GAIN:
-25.31%

ACCUMULATED
VALUE: \$74,690

\$100,000



MONTHLY AVG. S&P
INDEX CREDITING STRATEGY
IN INDEXED ANNUITY



GAIN:
0%

ACCUMULATED
VALUE: \$100,000

\$100,000



FIXED ACCOUNT IN
INDEXED ANNUITY



GAIN:
+3.00%

ACCUMULATED
VALUE: \$103,000

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RECOVERING FROM MARKET LOSS . . .

To match the Account Value of the fixed account, the following S&P 500 performance would be needed on the \$74,690 remaining balance to recover from the identified loss.

S&P 500 RETURN REQUIRED TO RECOVER 25% LOSS	END OF YEAR	ANNUITY FIXED ACCOUNT VALUE \$100,000 AT 3.00%
+42%	2	\$106,090
+20.95% + 20.95%	3	\$109,272
+14.6% + 14.6% + 14.6%	4	\$112,550

This sample calculation and all assumptions are purely hypothetical and are not an indication of any annuity's past or future activity. Annuities contain limitations, including surrender charges, which may affect policy values.

POINT-TO-POINT

ANNUAL POINT-TO-POINT WITH CAP

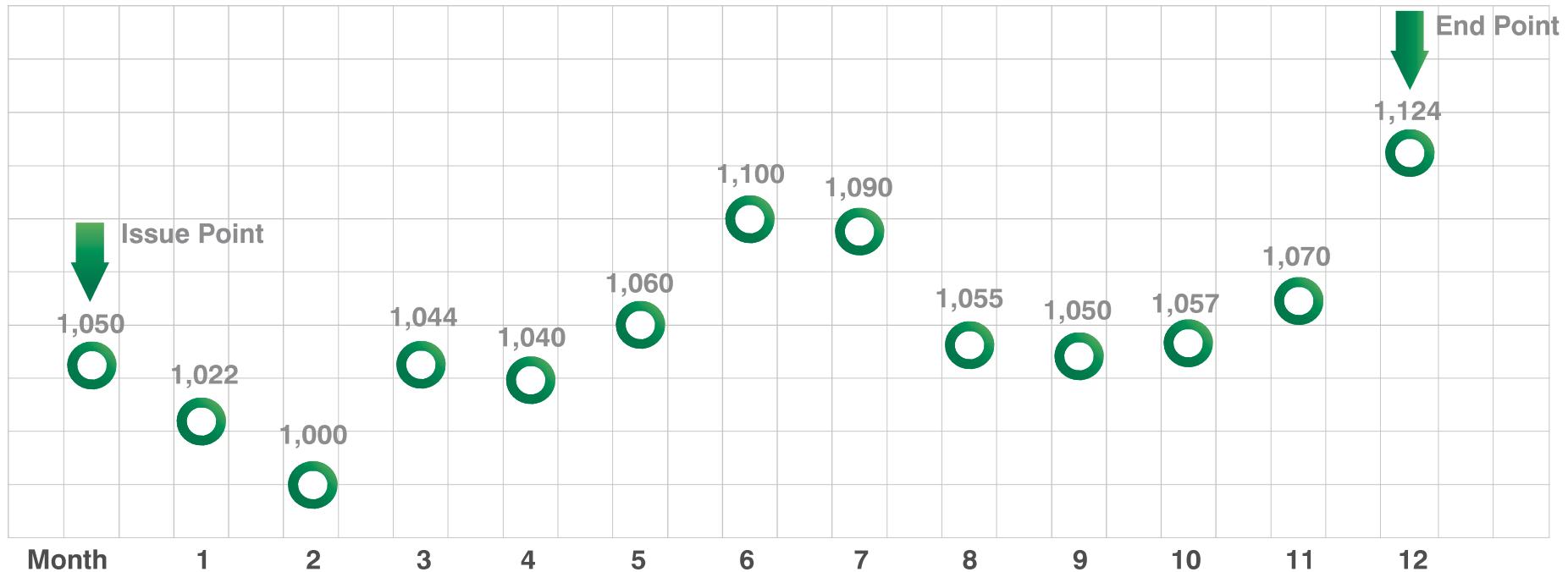
Start in the Index today and determine the closing point on the same day next year.

You earn 100% of the S&P 500 performance for the one-year period, up to X%*.

*X% = declared cap

HOW IS THE GAIN CALCULATED? POINT-TO-POINT

ANNUAL POINT-TO-POINT WITH CAP



NEXT YEAR'S START POINT + 1,124

Start Point = 1,050 End Point = 1,124 Point-to-Point Gain = 7%

$$\text{Gain} = 1,124/1,050 - 1 = 7\%$$

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MONTHLY AVERAGING

MONTHLY AVERAGING

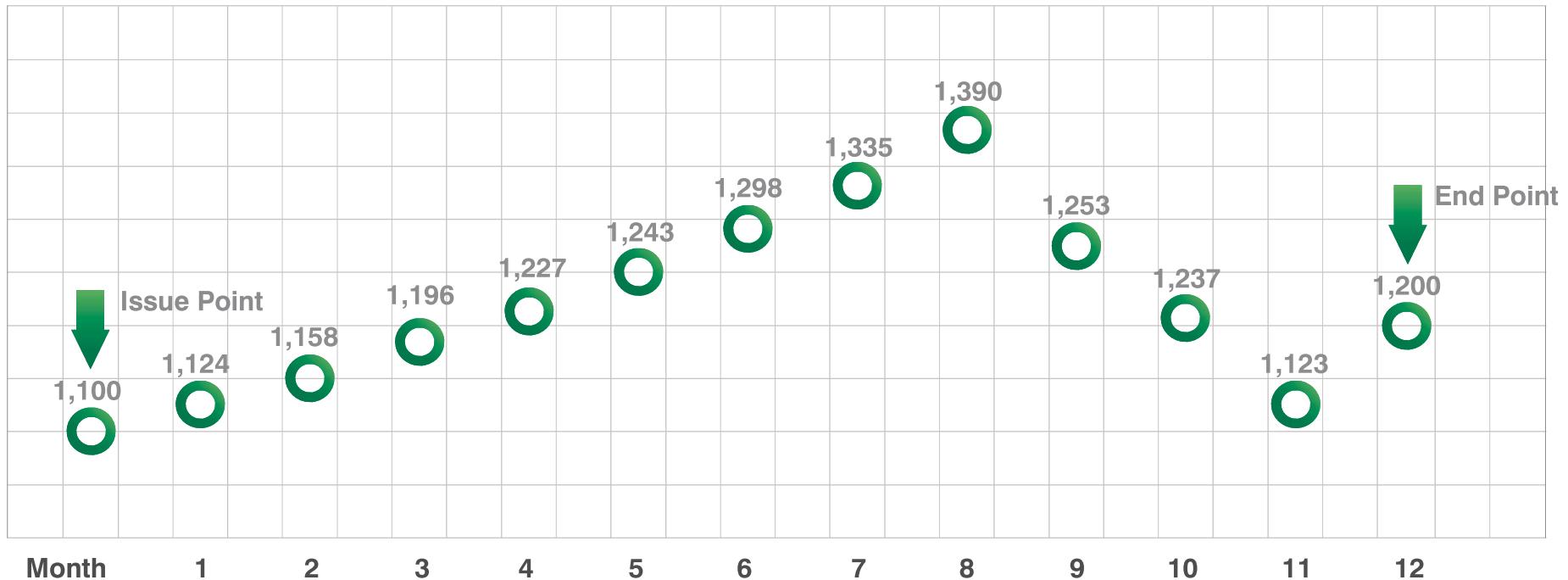
Start in the Index today.

Determine the closing point of the S&P 500, on this date, of each of the next 12 months.

Add them up and divide the sum by 12.

You earn 100% of the average S&P 500 performance for the year.

HOW IS THE GAIN CALCULATED? MONTHLY AVERAGE ANNUAL RESET



NEXT YEAR'S START POINT + 1,200

Sum of 12 months = **14,784** Average 12 months = **1,232** Issue Start Point = **1,100**
 Gain % and Interest Credit = $1,232/1,100 - 1 = 12\%$

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MONTHLY POINT-TO-POINT

MONTHLY POINT-TO-POINT WITH CAP

Start in the Index today.

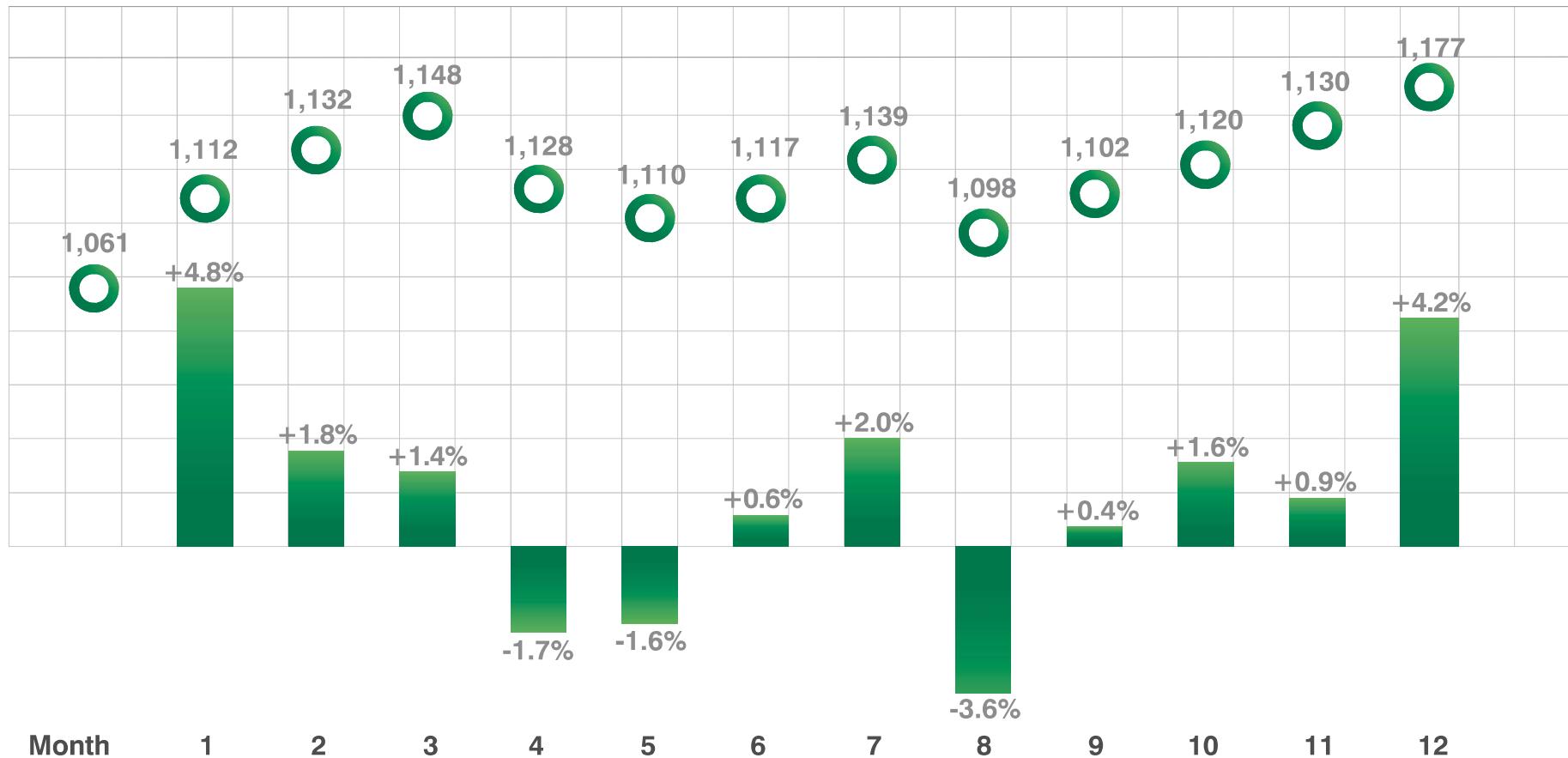
Determine the next 12 individual monthly performances up to X%* monthly cap.

Add up the capped monthly performances.

*X% = monthly cap declared

HOW IS THE GAIN CALCULATED? MONTHLY POINT-TO-POINT

100% PARTICIPATION, 3%* CAP



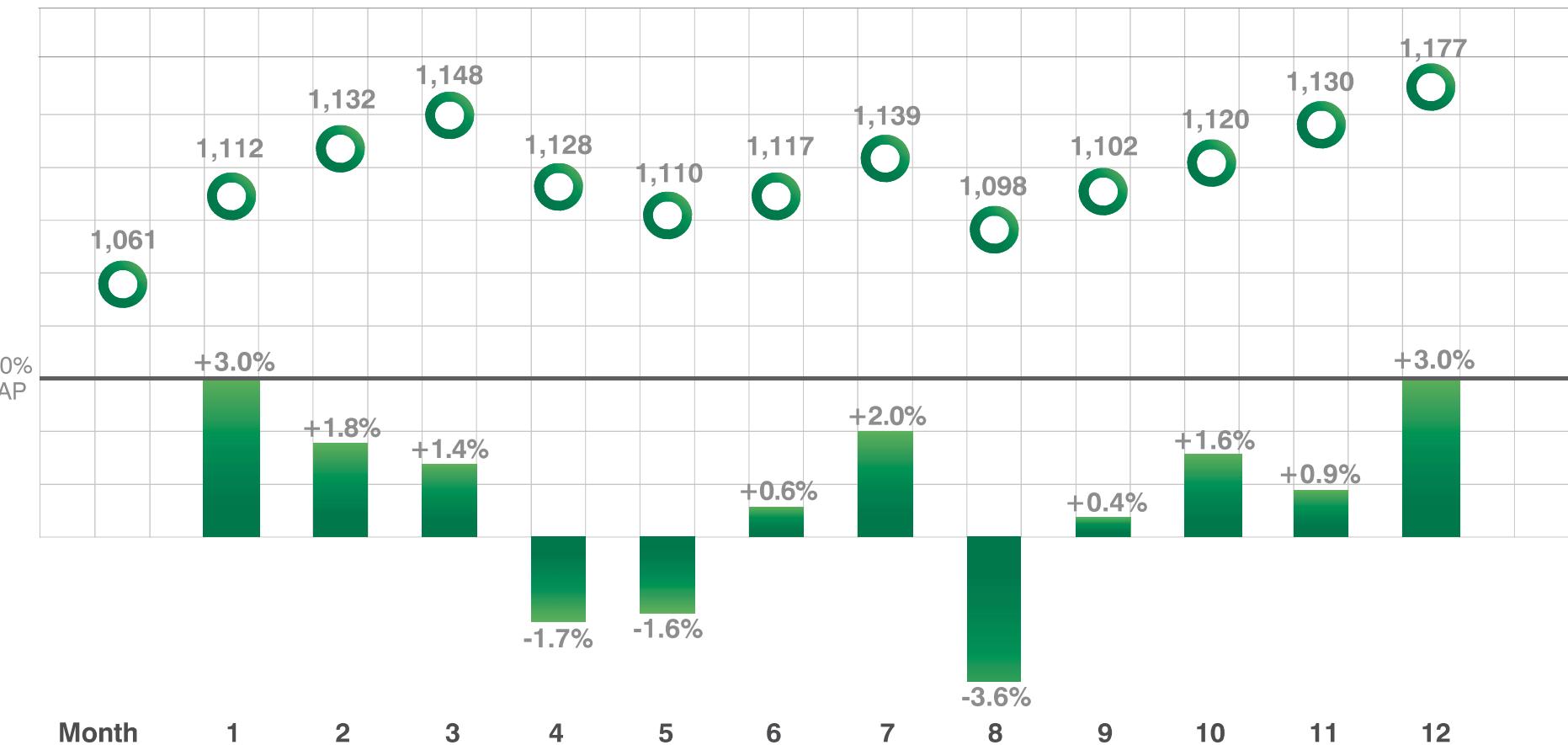
THE 12 INDIVIDUAL MONTHLY PERFORMANCES ARE CALCULATED FOR THE POLICY YEAR.

*X% cap determined at contract inception and on policy anniversaries.

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HOW IS THE GAIN CALCULATED? MONTHLY POINT-TO-POINT

100% PARTICIPATION, 3%* CAP



Any individual monthly gains greater than the declared monthly cap (i.e., 3%*) are reduced to the cap, and the 12 monthly performances are summed up.

MONTHLY CAP POLICY GAIN = 7.77%

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HOW DO YOU KNOW IF A FIXED INDEXED ANNUITY IS RIGHT FOR YOU?

The questions listed below can help you decide which type of annuity, if any, meets your retirement planning and financial needs. You should consider what your goals are for the money you put in the annuity, as well as how much risk you're willing to take, and ask yourself:

- How long will I leave money in my annuity?
- How do I expect to use the money in the future?
- Am I willing to take more risk for the possibility of achieving higher returns?
- Would a lower interest rate be of more appeal to me knowing that it's guaranteed?

QUESTIONS TO ASK YOUR INSURANCE AGENT OR CARRIER

What is the guaranteed interest rate?

What is the range of possible interest rates for my contract?

What charges, if any, are deducted from my premium?

How long is the term?

For how long is the participation rate guaranteed?

Is there a minimum participation rate?

Does my contract have a cap?

Is averaging used and, if so, how does it work?

Is interest compounded during a term?

Which indexing method is used in my contract?

Is there a margin, spread or administrative fee? Is that in addition to or instead of a participation rate?

What are the surrender charges or penalties if I want to terminate my contract early and take out all of the money?

Can I get a partial withdrawal without paying charges or losing interest?

Does my contract have vesting?

Does my annuity waive withdrawal charges if I am confined to a qualifying care facility or diagnosed with a terminal illness?

What annuity income payment options will I have?

How is the death benefit calculated?



All product features, charges and rates described in the presentation are not product or company specific. Please contact your agent or company representative to request information on a particular annuity.

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