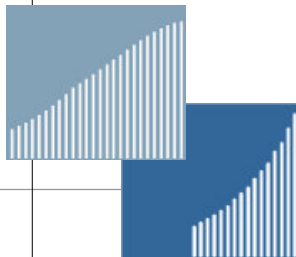


Stretch Annuity Analysis

Phase 1

Income to match your lifestyle
and preserve your wealth



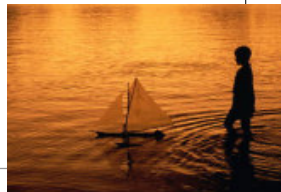
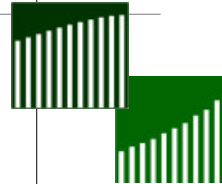
Phase 3

A legacy that passes to
the next generation



Phase 2

Continuing income for
spousal security and
independence



Prepared For:

Sample Client
April 23, 2006

Prepared By:

Clarity Software, LLC.

Contents & Disclosures

Table Of Contents

This illustration must contain the following:

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Important Disclosure

This report contains very specific computations concerning the value of retirement assets today, the value of retirement assets in the future, and the taxes, which may be assessed against these assets at any given point in time. These computations are based upon assumptions concerning the value of assets today, the rate at which assets will appreciate, life expectancies, and the rates for income and estate taxation. These assumptions are only a "best guess" and must be carefully reviewed to determine if they are reasonable. The actual values, life expectancies, rates of growth and tax rates may be significantly different from those illustrated. The actual taxes due may be significantly greater or smaller than those illustrated.

This report demonstrates a planning strategy for retirement assets that are potentially subject to income and estate taxes. There are a number of techniques, which are beyond the scope of this report. One or more of these techniques if appropriate, and if used in conjunction with the techniques explored herein, might reduce taxes below those illustrated by this program.

The software used to produce this report has been designed to assist the financial services professional in educating clients on important decisions that may affect their retirement assets. The role of the financial services professional is to help the client meet current and future financial needs. In order to determine the amount of these needs, the financial services professional must discuss with the client certain legal and tax planning concepts. Estate planning for retirement assets involves an in-depth analysis of financial and legal issues, which should be coordinated with the client's tax advisors. By using the software that produces this report, financial service professionals can illustrate various planning scenarios to assist the client and their tax advisors in establishing the most appropriate retirement distribution plan. Since this type of planning involves the application of technical tax laws to a client's unique situation, the client's tax advisors should be consulted in determining the suitability of any particular planning technique. This type of planning may involve the preparation of legal documents that only an attorney can implement.

Initial Information

Initial Data, Assumptions & Options

Illustration Information

Description : Inherited Annuity Presentation
Date : 04/23/2006

Preparation Info

Prepared By :

Client Details

Client Name : Thomas Stretch
DOB/Age : 04/23/1941 / 65
Illustrate To Age/Yr. : 86 / 2027

Spouse Details

Spouse Name : Mary Stretch
DOB/Age : 04/23/1946 / 60
Illustrate To Age/Yr. : 85 / 2031

Account Info (Balance(s) as of 12/31/2005), Other Values - First Year

Annuity Name : Retirement Account
Premium Deposit / Bonus : \$500,000 + \$50,000 (10.00% Premium Bonus) ==> \$550,000
Assumed Interest Rate : 6.00%
Deposits : \$0
First Year Distribution : \$0

RMD Methods - Phase 1: Client Distributions

N/A

RMD Method - Client Distributions

N/A

RMD Methods - Inherited Annuity Phase: Beneficiary Distributions

Term Certain Method Using Single Life Table Based On Non-Spouse Beneficiary's Age In The Year Following Inheritance

| Beneficiary Data | | | | | |
|------------------|--------|---------------|-----|-----------|--|
| Relationship | Name | Date Of Birth | Age | Benefit % | |
| Child | Thomas | 08/09/1973 | 33 | 16.67% | |
| Grandchild | Karen | 08/09/2000 | 3 | 8.33% | |
| Grandchild | Laura | 08/09/2002 | 1 | 8.33% | |
| Child | Mary | 08/09/1983 | 23 | 33.33% | |
| Child | Sally | 08/09/1993 | 13 | 33.33% | |

Stretch Impact

What is a Stretch Annuity?

A Non-Qualified Annuity Account (NQA) is designed to provide an additional savings vehicle, in addition to IRAs and Qualified Plans. It can provide retirement income benefits to its owner and in the case of a married couple, the owner and their spouse. In the event that the NQA is passed on to one or more non-spouse beneficiaries the Internal Revenue Service (IRS) has developed a set of required distribution rules that govern the minimum amount that must be distributed from the Inherited NQA. Given the nature of the rules, the life expectancy tables that are used to meet these rules, and a very moderate NQA account growth rate, the yearly minimum required distribution does little to deplete the NQA account principle in the early years following it's inheritance. With proper planning and structure, the beneficiary's of the NQA can continue the yearly minimum required distributions based on their life expectancy. The extension of the annuity benefits across to a second generation is generally referred to as a "Stretching the Annuity".

In planning to "Stretch the Annuity", one must understand that distributions taken by the account owner and their spouse to meet retirement needs could significantly reduce the ability to "Stretch the Annuity". The following illustration is based on the assumption that the distributions during the life of the client and spouse are sufficient to meet their needs, while still leaving a balance of the NQA to their beneficiaries.

Impact of an Immediate Distribution vs Stretch Annuity

**Without
Stretch
Annuity**

\$2,502,161 *

Immediate Distribution by Beneficiaries

Benefits of Potential Tax Deferred Growth Lost
*** Assumes Annuity liquidated and distributed on death of owner or spouse (if applicable).**

**With
Stretch
Annuity**

\$11,209,662

Stretch Annuity Illustration

Benefits of Potential Tax Deferred Growth Continued
Income Taxes On Distributions Only
Lifetime Income Provided To Heirs

All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

Stretch Flow Summary

Summary of NQ Annuity Activity: Thomas Stretch, Mary, & Beneficiaries

Thomas Stretch
Starting Balance (12/31/2005) - \$550,000

Projected NQ Annuity Distributions
Over The Years 2006 to 2027 - \$0

Mary
Starting Balance (12/31/2027) - \$1,981,946

Projected NQ Annuity Distributions
Over The Years 2028 to 2031 - \$0

| Beneficiaries Inherit NQ Annuity Balance of \$2,502,161 Projected Inherited NQ Annuity Distributions Starting In Year - 2032 | | | | |
|---|---------------|---------------------|---------------------------------|--------------------------------|
| | % Share | Starting Balance | Distributions Ages / To Year | Total Annuity Distributions |
| Thomas | 16.67 | 417,027 | 85 -- 2058 | 1,034,515 |
| Karen | 8.33 | 208,513 | 83 -- 2083 | 1,425,506 |
| Laura | 8.33 | 208,513 | 83 -- 2085 | 1,546,396 |
| Mary | 33.33 | 834,054 | 84 -- 2067 | 2,919,156 |
| Sally | 33.33 | 834,054 | 83 -- 2076 | 4,284,089 |
| Totals | 100.00 | \$2,502,161 | | \$11,209,662 |

Total Projected Stretch Annuity Distributions - \$11,209,662

The illustration above is a summary of a hypothetical "Stretched Annuity" illustrating the gross (before tax) distributions to the client, spouse (if applicable) and beneficiaries. The illustration assumes that a separate account for each non-spouse beneficiary is established and that a distribution pattern of required minimum distributions only is followed by each beneficiary. The impact of distributions in excess of RMD, inflation, income taxes and estate taxes are not shown in this illustration. If included the results could be significantly different. It is important to consult your tax and legal advisors to determine the impact of these factors and all others in making financial, retirement and estate planning decisions.

All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

Detailed Client & Spouse Annuity Ledger

Annuity Activity For Thomas Stretch & Mary

| | | Account Activity | | | | Starting Balance (12/31/2005): | 550,000 |
|--------|-------------|--------------------|--------------------|---------------|---------------|--------------------------------|---------|
| Thomas | Age Mary | Interest Earned | Life Expectancy | Contributions | Distributions | Ending NQ Annuity Balance | |
| 65 | 60 | 33,000 | | | | 583,000 | |
| 66 | 61 | 34,980 | | | | 617,980 | |
| 67 | 62 | 37,079 | | | | 655,059 | |
| 68 | 63 | 39,304 | | | | 694,362 | |
| 69 | 64 | 41,662 | | | | 736,024 | |
| 70 | 65 | 44,161 | | | | 780,186 | |
| 71 | 66 | 46,811 | | | | 826,997 | |
| 72 | 67 | 49,620 | | | | 876,616 | |
| 73 | 68 | 52,597 | | | | 929,213 | |
| 74 | 69 | 55,753 | | | | 984,966 | |
| 75 | 70 | 59,098 | | | | 1,044,064 | |
| 76 | 71 | 62,644 | | | | 1,106,708 | |
| 77 | 72 | 66,402 | | | | 1,173,111 | |
| 78 | 73 | 70,387 | | | | 1,243,497 | |
| 79 | 74 | 74,610 | | | | 1,318,107 | |
| 80 | 75 | 79,086 | | | | 1,397,193 | |
| 81 | 76 | 83,832 | | | | 1,481,025 | |
| 82 | 77 | 88,862 | | | | 1,569,887 | |
| 83 | 78 | 94,193 | | | | 1,664,080 | |
| 84 | 79 | 99,845 | | | | 1,763,925 | |
| 85 | 80 | 105,835 | | | | 1,869,760 | |
| 86 | 81 | 112,186 | | | | 1,981,946 | |
| | 82 | 118,917 | | | | 2,100,862 | |
| | 83 | 126,052 | | | | 2,226,914 | |
| | 84 | 133,615 | | | | 2,360,529 | |
| | 85 | 141,632 | | | | 2,502,161 | |
| | | \$1,952,161 | | \$0 | \$0 | | |

All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

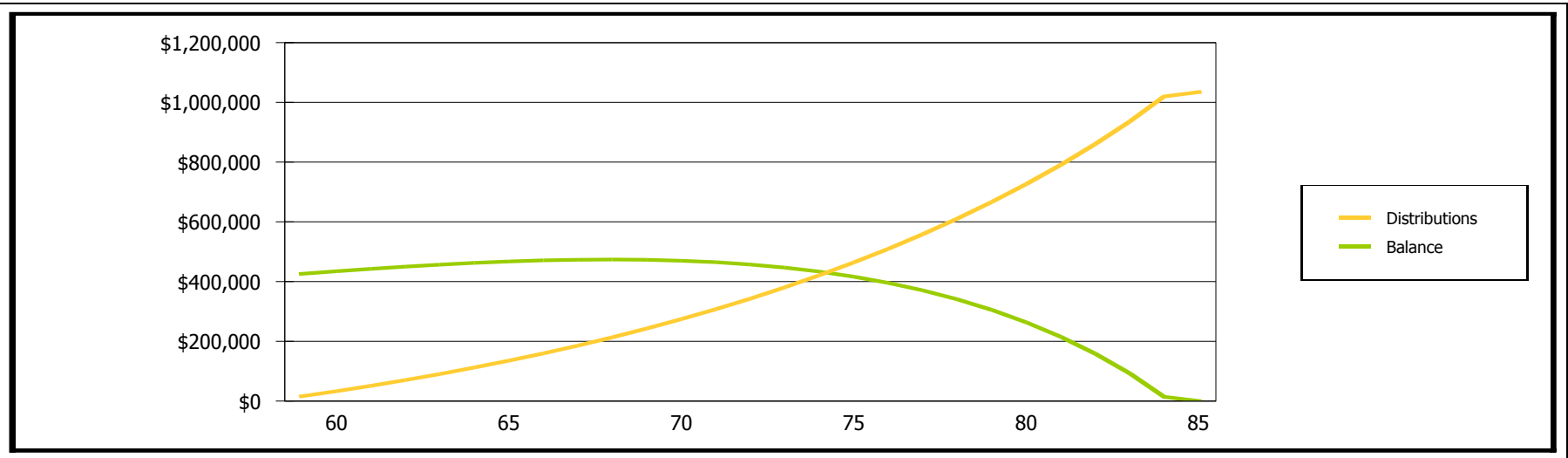
Beneficiary Distribution Detail Ledger

Distributions For Thomas - Age 59, Allocation of 16.67%

| Age | Account Activity | | Distribution (MRD-*) | Ending Balance |
|-----|--------------------|------|-------------------------|-------------------|
| | Interest Earned | Lx | | |
| 59 | 25,022 | 26.1 | 15,978 | 426,070 |
| 60 | 25,564 | 25.1 | 16,975 | 434,660 |
| 61 | 26,080 | 24.1 | 18,036 | 442,704 |
| 62 | 26,562 | 23.1 | 19,165 | 450,101 |
| 63 | 27,006 | 22.1 | 20,367 | 456,741 |
| 64 | 27,404 | 21.1 | 21,646 | 462,499 |
| 65 | 27,750 | 20.1 | 23,010 | 467,239 |
| 66 | 28,034 | 19.1 | 24,463 | 470,810 |
| 67 | 28,249 | 18.1 | 26,012 | 473,047 |
| 68 | 28,383 | 17.1 | 27,664 | 473,766 |
| 69 | 28,426 | 16.1 | 29,426 | 472,766 |
| 70 | 28,366 | 15.1 | 31,309 | 469,823 |
| 71 | 28,189 | 14.1 | 33,321 | 464,691 |
| 72 | 27,881 | 13.1 | 35,473 | 457,100 |
| 73 | 27,426 | 12.1 | 37,777 | 446,749 |
| 74 | 26,805 | 11.1 | 40,248 | 433,307 |
| 75 | 25,998 | 10.1 | 42,902 | 416,403 |
| 76 | 24,984 | 9.1 | 45,759 | 395,629 |
| 77 | 23,738 | 8.1 | 48,843 | 370,524 |
| 78 | 22,231 | 7.1 | 52,186 | 340,569 |

| Age | Account Activity | | Distribution (MRD-*) | Ending Balance |
|-----|--------------------|-----|-------------------------|--------------------|
| | Interest Earned | Lx | | |
| 79 | 20,434 | 6.1 | 55,831 | 305,172 |
| 80 | 18,310 | 5.1 | 59,838 | 263,645 |
| 81 | 15,819 | 4.1 | 64,304 | 215,160 |
| 82 | 12,910 | 3.1 | 69,406 | 158,663 |
| 83 | 9,520 | 2.1 | 75,554 | 92,629 |
| 84 | 5,558 | 1.1 | 84,208 | 13,979 |
| 85 | 839 | 0.1 | 14,817 | 0 |
| | | | \$617,488 | \$1,034,515 |

Cumulative Annuity Distributions & Account Balances



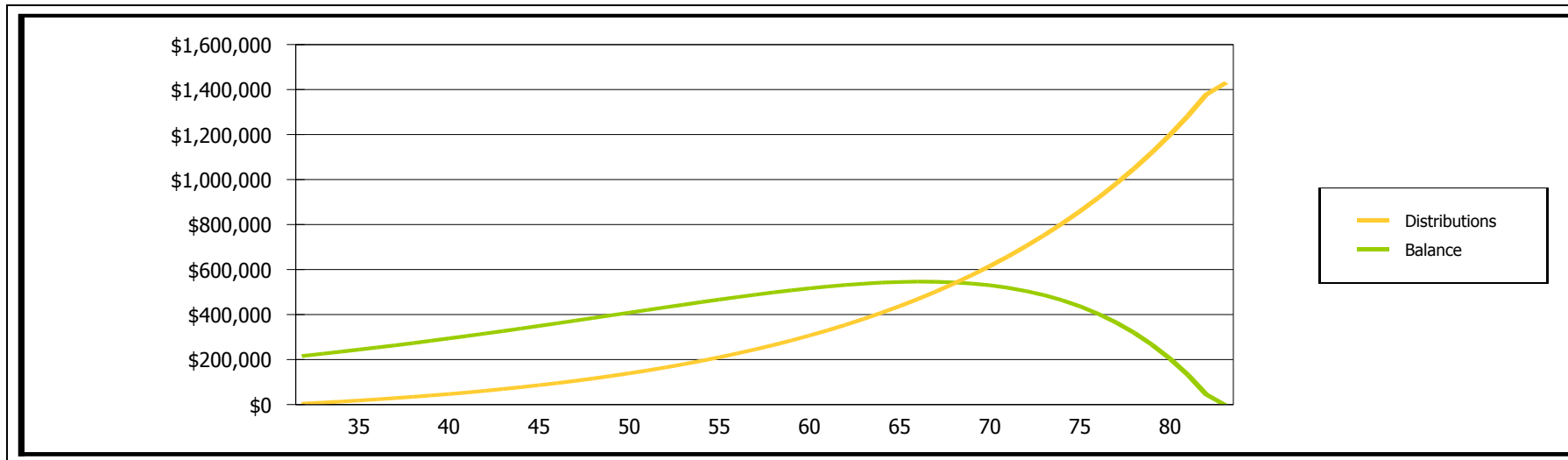
All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

Beneficiary Distribution Detail Ledger

Distributions For Karen - Age 32, Allocation of 8.33%

| Account Activity | | | | | Account Activity | | | | | Account Activity | | | | |
|------------------|-----------------|------|----------------|----------------|------------------|-----------------|------|----------------------|----------------|--------------------|---------------|------|----------------------|----------------|
| Age | Interest Earned | Lx | Ending (MRD-*) | Ending Balance | Age | Interest Earned | Lx | Distribution (MRD-*) | Ending Balance | Age | Ending Earned | Lx | Distribution (MRD-*) | Ending Balance |
| 32 | 12,511 | 51.4 | 4,057 | 216,968 | 52 | 25,213 | 31.4 | 13,383 | 432,051 | 72 | 31,138 | 11.4 | 45,523 | 504,578 |
| 33 | 13,018 | 50.4 | 4,305 | 225,681 | 53 | 25,923 | 30.4 | 14,212 | 443,762 | 73 | 30,275 | 10.4 | 48,517 | 486,335 |
| 34 | 13,541 | 49.4 | 4,568 | 234,653 | 54 | 26,626 | 29.4 | 15,094 | 455,294 | 74 | 29,180 | 9.4 | 51,738 | 463,778 |
| 35 | 14,079 | 48.4 | 4,848 | 243,884 | 55 | 27,318 | 28.4 | 16,031 | 466,580 | 75 | 27,827 | 8.4 | 55,212 | 436,393 |
| 36 | 14,633 | 47.4 | 5,145 | 253,372 | 56 | 27,995 | 27.4 | 17,028 | 477,546 | 76 | 26,184 | 7.4 | 58,972 | 403,604 |
| 37 | 15,202 | 46.4 | 5,461 | 263,114 | 57 | 28,653 | 26.4 | 18,089 | 488,110 | 77 | 24,216 | 6.4 | 63,063 | 364,757 |
| 38 | 15,787 | 45.4 | 5,795 | 273,105 | 58 | 29,287 | 25.4 | 19,217 | 498,180 | 78 | 21,885 | 5.4 | 67,548 | 319,095 |
| 39 | 16,386 | 44.4 | 6,151 | 283,340 | 59 | 29,891 | 24.4 | 20,417 | 507,654 | 79 | 19,146 | 4.4 | 72,522 | 265,719 |
| 40 | 17,000 | 43.4 | 6,529 | 293,812 | 60 | 30,459 | 23.4 | 21,695 | 516,418 | 80 | 15,943 | 3.4 | 78,153 | 203,510 |
| 41 | 17,629 | 42.4 | 6,930 | 304,511 | 61 | 30,985 | 22.4 | 23,054 | 524,349 | 81 | 12,211 | 2.4 | 84,796 | 130,925 |
| 42 | 18,271 | 41.4 | 7,355 | 315,427 | 62 | 31,461 | 21.4 | 24,502 | 531,308 | 82 | 7,855 | 1.4 | 93,518 | 45,262 |
| 43 | 18,926 | 40.4 | 7,808 | 326,545 | 63 | 31,878 | 20.4 | 26,044 | 537,142 | 83 | 2,716 | 0.4 | 47,978 | 0 |
| 44 | 19,593 | 39.4 | 8,288 | 337,849 | 64 | 32,228 | 19.4 | 27,688 | 541,682 | \$1,216,992 | | | \$1,425,506 | |
| 45 | 20,271 | 38.4 | 8,798 | 349,322 | 65 | 32,501 | 18.4 | 29,439 | 544,744 | | | | | |
| 46 | 20,959 | 37.4 | 9,340 | 360,941 | 66 | 32,685 | 17.4 | 31,307 | 546,122 | | | | | |
| 47 | 21,656 | 36.4 | 9,916 | 372,682 | 67 | 32,767 | 16.4 | 33,300 | 545,589 | | | | | |
| 48 | 22,361 | 35.4 | 10,528 | 384,515 | 68 | 32,735 | 15.4 | 35,428 | 542,896 | | | | | |
| 49 | 23,071 | 34.4 | 11,178 | 396,408 | 69 | 32,574 | 14.4 | 37,701 | 537,769 | | | | | |
| 50 | 23,784 | 33.4 | 11,869 | 408,324 | 70 | 32,266 | 13.4 | 40,132 | 529,903 | | | | | |
| 51 | 24,499 | 32.4 | 12,603 | 420,221 | 71 | 31,794 | 12.4 | 42,734 | 518,963 | | | | | |

Cumulative Annuity Distributions & Account Balances



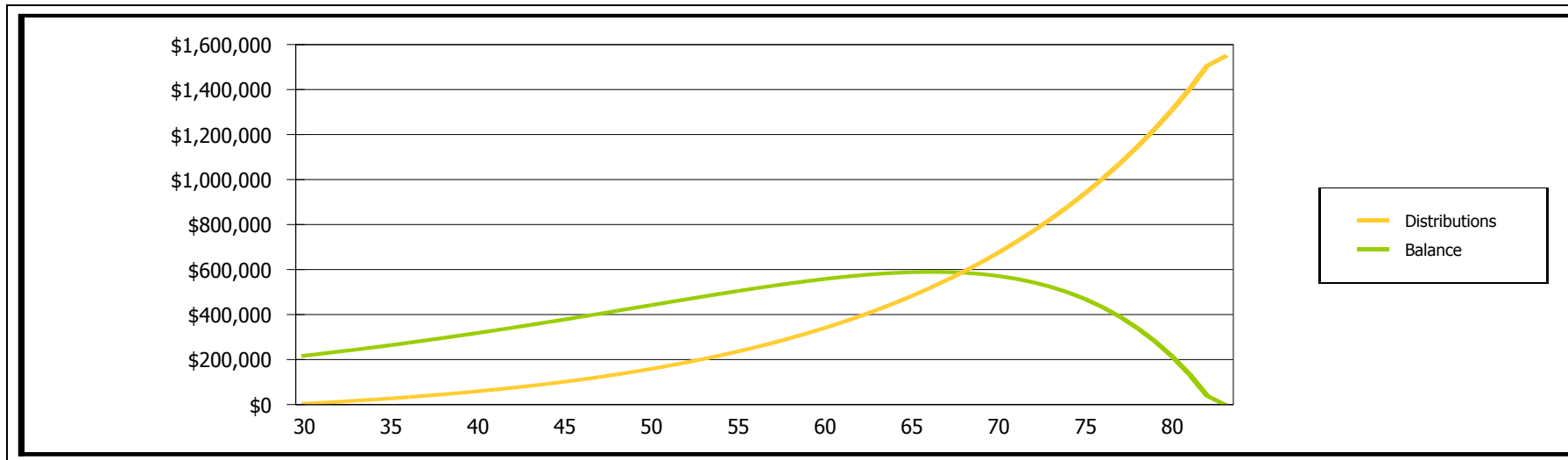
All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

Beneficiary Distribution Detail Ledger

Distributions For Laura - Age 30, Allocation of 8.33%

| Account Activity | | | | | Account Activity | | | | | Account Activity | | | | |
|------------------|-----------------|------|----------------|----------------|------------------|-----------------|------|----------------------|----------------|--------------------|---------------|------|----------------------|----------------|
| Age | Interest Earned | Lx | Ending (MRD-*) | Ending Balance | Age | Interest Earned | Lx | Distribution (MRD-*) | Ending Balance | Age | Ending Earned | Lx | Distribution (MRD-*) | Ending Balance |
| 30 | 12,511 | 53.3 | 3,912 | 217,112 | 50 | 25,752 | 33.3 | 12,889 | 442,067 | 70 | 34,788 | 13.3 | 43,594 | 570,998 |
| 31 | 13,027 | 52.3 | 4,151 | 225,988 | 51 | 26,524 | 32.3 | 13,686 | 454,904 | 71 | 34,260 | 12.3 | 46,423 | 558,835 |
| 32 | 13,559 | 51.3 | 4,405 | 235,142 | 52 | 27,294 | 31.3 | 14,534 | 467,665 | 72 | 33,530 | 11.3 | 49,454 | 542,911 |
| 33 | 14,108 | 50.3 | 4,675 | 244,575 | 53 | 28,060 | 30.3 | 15,434 | 480,290 | 73 | 32,575 | 10.3 | 52,710 | 522,776 |
| 34 | 14,675 | 49.3 | 4,961 | 254,289 | 54 | 28,817 | 29.3 | 16,392 | 492,715 | 74 | 31,367 | 9.3 | 56,212 | 497,930 |
| 35 | 15,257 | 48.3 | 5,265 | 264,281 | 55 | 29,563 | 28.3 | 17,410 | 504,868 | 75 | 29,876 | 8.3 | 59,992 | 467,814 |
| 36 | 15,857 | 47.3 | 5,587 | 274,551 | 56 | 30,292 | 27.3 | 18,493 | 516,667 | 76 | 28,069 | 7.3 | 64,084 | 431,799 |
| 37 | 16,473 | 46.3 | 5,930 | 285,094 | 57 | 31,000 | 26.3 | 19,645 | 528,022 | 77 | 25,908 | 6.3 | 68,540 | 389,167 |
| 38 | 17,106 | 45.3 | 6,293 | 295,906 | 58 | 31,681 | 25.3 | 20,870 | 538,832 | 78 | 23,350 | 5.3 | 73,428 | 339,090 |
| 39 | 17,754 | 44.3 | 6,680 | 306,981 | 59 | 32,330 | 24.3 | 22,174 | 548,988 | 79 | 20,345 | 4.3 | 78,858 | 280,577 |
| 40 | 18,419 | 43.3 | 7,090 | 318,310 | 60 | 32,939 | 23.3 | 23,562 | 558,366 | 80 | 16,835 | 3.3 | 85,023 | 212,388 |
| 41 | 19,099 | 42.3 | 7,525 | 329,884 | 61 | 33,502 | 22.3 | 25,039 | 566,829 | 81 | 12,743 | 2.3 | 92,343 | 132,789 |
| 42 | 19,793 | 41.3 | 7,988 | 341,689 | 62 | 34,010 | 21.3 | 26,612 | 574,227 | 82 | 7,967 | 1.3 | 102,145 | 38,611 |
| 43 | 20,501 | 40.3 | 8,479 | 353,712 | 63 | 34,454 | 20.3 | 28,287 | 580,394 | 83 | 2,317 | 0.3 | 40,928 | 0 |
| 44 | 21,223 | 39.3 | 9,000 | 365,935 | 64 | 34,824 | 19.3 | 30,072 | 585,145 | \$1,337,883 | | | \$1,546,396 | |
| 45 | 21,956 | 38.3 | 9,554 | 378,336 | 65 | 35,109 | 18.3 | 31,975 | 588,279 | | | | | |
| 46 | 22,700 | 37.3 | 10,143 | 390,893 | 66 | 35,297 | 17.3 | 34,005 | 589,571 | | | | | |
| 47 | 23,454 | 36.3 | 10,768 | 403,579 | 67 | 35,374 | 16.3 | 36,170 | 588,775 | | | | | |
| 48 | 24,215 | 35.3 | 11,433 | 416,360 | 68 | 35,326 | 15.3 | 38,482 | 585,619 | | | | | |
| 49 | 24,982 | 34.3 | 12,139 | 429,203 | 69 | 35,137 | 14.3 | 40,952 | 579,804 | | | | | |

Cumulative Annuity Distributions & Account Balances



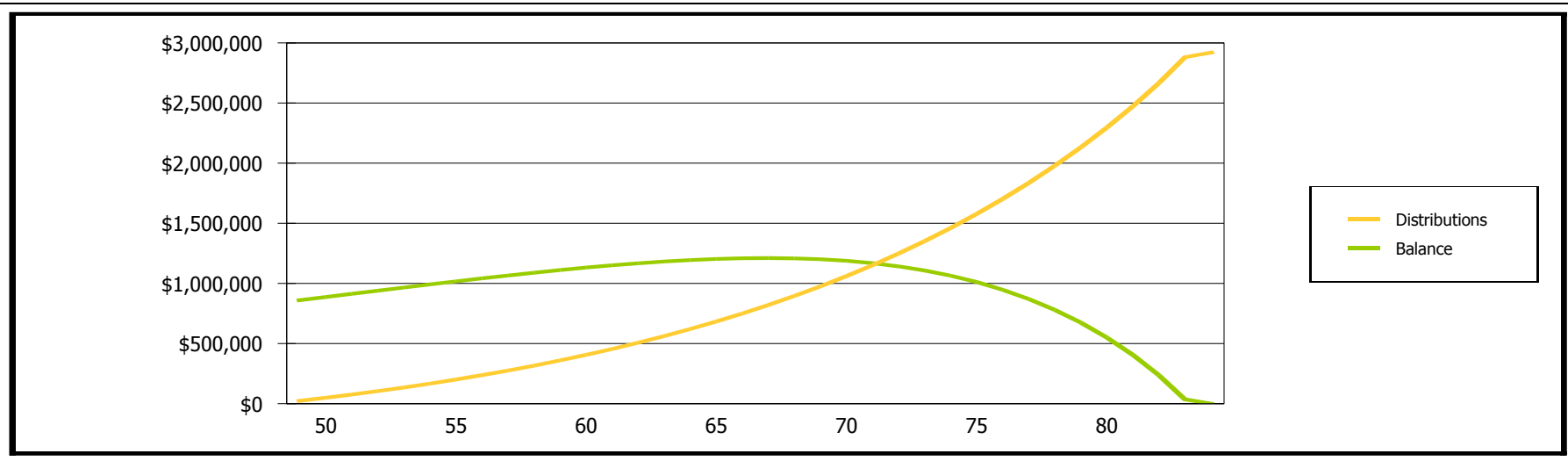
All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

Beneficiary Distribution Detail Ledger

Distributions For Mary - Age 49, Allocation of 33.33%

| Account Activity | | | | | Account Activity | | | | |
|------------------|-----------------|------|----------------------|----------------|------------------|--------------------|------|----------------------|----------------|
| Age | Interest Earned | Lx | Distribution (MRD-*) | Ending Balance | Age | Interest Earned | Lx | Distribution (MRD-*) | Ending Balance |
| 49 | 50,043 | 35.1 | 23,762 | 860,335 | 69 | 72,496 | 15.1 | 80,017 | 1,200,738 |
| 50 | 51,620 | 34.1 | 25,230 | 886,725 | 70 | 72,044 | 14.1 | 85,159 | 1,187,624 |
| 51 | 53,203 | 33.1 | 26,789 | 913,139 | 71 | 71,257 | 13.1 | 90,658 | 1,168,223 |
| 52 | 54,788 | 32.1 | 28,447 | 939,481 | 72 | 70,093 | 12.1 | 96,547 | 1,141,769 |
| 53 | 56,369 | 31.1 | 30,208 | 965,641 | 73 | 68,506 | 11.1 | 102,862 | 1,107,413 |
| 54 | 57,938 | 30.1 | 32,081 | 991,499 | 74 | 66,445 | 10.1 | 109,645 | 1,064,213 |
| 55 | 59,490 | 29.1 | 34,072 | 1,016,916 | 75 | 63,853 | 9.1 | 116,946 | 1,011,119 |
| 56 | 61,015 | 28.1 | 36,189 | 1,041,742 | 76 | 60,667 | 8.1 | 124,830 | 946,957 |
| 57 | 62,505 | 27.1 | 38,441 | 1,065,806 | 77 | 56,817 | 7.1 | 133,374 | 870,400 |
| 58 | 63,948 | 26.1 | 40,835 | 1,088,919 | 78 | 52,224 | 6.1 | 142,689 | 779,936 |
| 59 | 65,335 | 25.1 | 43,383 | 1,110,871 | 79 | 46,796 | 5.1 | 152,929 | 673,803 |
| 60 | 66,652 | 24.1 | 46,094 | 1,131,429 | 80 | 40,428 | 4.1 | 164,342 | 549,889 |
| 61 | 67,886 | 23.1 | 48,980 | 1,150,335 | 81 | 32,993 | 3.1 | 177,384 | 405,499 |
| 62 | 69,020 | 22.1 | 52,051 | 1,167,304 | 82 | 24,330 | 2.1 | 193,095 | 236,734 |
| 63 | 70,038 | 21.1 | 55,322 | 1,182,019 | 83 | 14,204 | 1.1 | 215,213 | 35,725 |
| 64 | 70,921 | 20.1 | 58,807 | 1,194,134 | 84 | 2,144 | 0.1 | 37,869 | 0 |
| 65 | 71,648 | 19.1 | 62,520 | 1,203,262 | | \$2,085,103 | | \$2,919,156 | |
| 66 | 72,196 | 18.1 | 66,479 | 1,208,979 | | | | | |
| 67 | 72,539 | 17.1 | 70,701 | 1,210,817 | | | | | |
| 68 | 72,649 | 16.1 | 75,206 | 1,208,260 | | | | | |

Cumulative Annuity Distributions & Account Balances



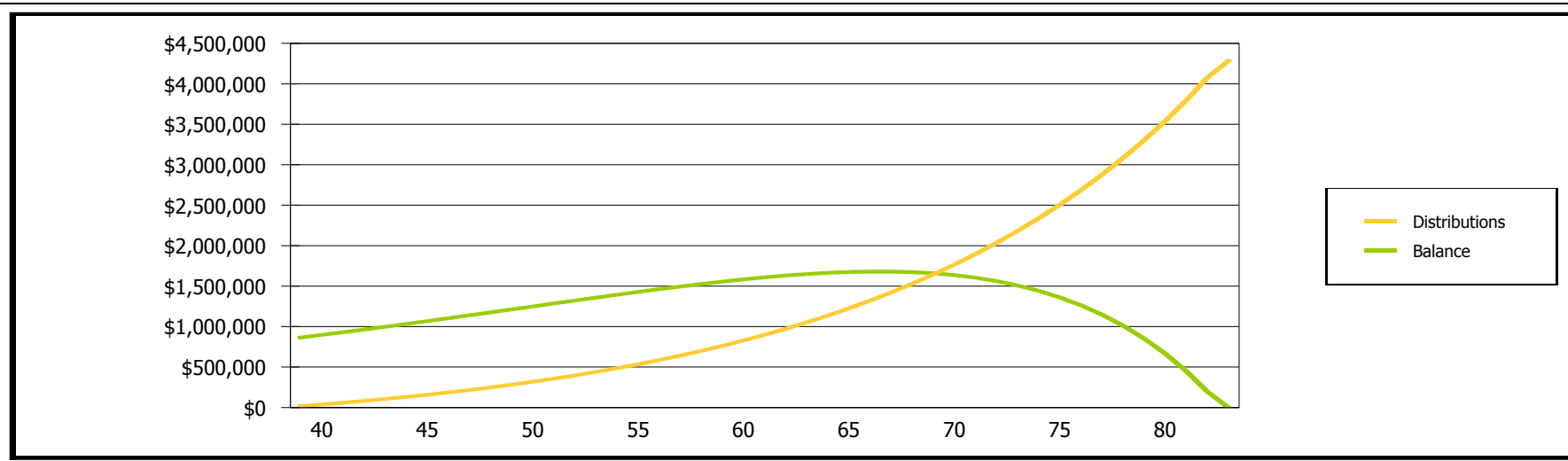
All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

Beneficiary Distribution Detail Ledger

Distributions For Sally - Age 39, Allocation of 33.33%

| Account Activity | | | | | Account Activity | | | | | Account Activity | | | | |
|------------------|-----------------|------|----------------|----------------|------------------|-----------------|------|----------------------|----------------|------------------|---------------|-----|----------------------|----------------|
| Age | Interest Earned | Lx | Ending (MRD-*) | Ending Balance | Age | Interest Earned | Lx | Distribution (MRD-*) | Ending Balance | Age | Ending Earned | Lx | Distribution (MRD-*) | Ending Balance |
| 39 | 50,043 | 44.6 | 18,701 | 865,396 | 59 | 91,601 | 24.6 | 62,061 | 1,556,232 | 79 | 60,700 | 4.6 | 219,926 | 852,434 |
| 40 | 51,924 | 43.6 | 19,849 | 897,471 | 60 | 93,374 | 23.6 | 65,942 | 1,583,664 | 80 | 51,146 | 3.6 | 236,787 | 666,793 |
| 41 | 53,848 | 42.6 | 21,067 | 930,252 | 61 | 95,020 | 22.6 | 70,074 | 1,608,610 | 81 | 40,008 | 2.6 | 256,459 | 450,342 |
| 42 | 55,815 | 41.6 | 22,362 | 963,705 | 62 | 96,517 | 21.6 | 74,473 | 1,630,654 | 82 | 27,021 | 1.6 | 281,464 | 195,899 |
| 43 | 57,822 | 40.6 | 23,737 | 997,791 | 63 | 97,839 | 20.6 | 79,158 | 1,649,335 | 83 | 11,754 | 0.6 | 207,653 | 0 |
| 44 | 59,867 | 39.6 | 25,197 | 1,032,462 | 64 | 98,960 | 19.6 | 84,150 | 1,664,146 | \$3,450,035 | | | \$4,284,089 | |
| 45 | 61,948 | 38.6 | 26,748 | 1,067,662 | 65 | 99,849 | 18.6 | 89,470 | 1,674,524 | | | | | |
| 46 | 64,060 | 37.6 | 28,395 | 1,103,326 | 66 | 100,471 | 17.6 | 95,143 | 1,679,852 | | | | | |
| 47 | 66,200 | 36.6 | 30,146 | 1,139,380 | 67 | 100,791 | 16.6 | 101,196 | 1,679,448 | | | | | |
| 48 | 68,363 | 35.6 | 32,005 | 1,175,738 | 68 | 100,767 | 15.6 | 107,657 | 1,672,558 | | | | | |
| 49 | 70,544 | 34.6 | 33,981 | 1,212,302 | 69 | 100,353 | 14.6 | 114,559 | 1,658,352 | | | | | |
| 50 | 72,738 | 33.6 | 36,080 | 1,248,959 | 70 | 99,501 | 13.6 | 121,938 | 1,635,916 | | | | | |
| 51 | 74,938 | 32.6 | 38,312 | 1,285,585 | 71 | 98,155 | 12.6 | 129,835 | 1,604,236 | | | | | |
| 52 | 77,135 | 31.6 | 40,683 | 1,322,037 | 72 | 96,254 | 11.6 | 138,296 | 1,562,194 | | | | | |
| 53 | 79,322 | 30.6 | 43,204 | 1,358,156 | 73 | 93,732 | 10.6 | 147,377 | 1,508,549 | | | | | |
| 54 | 81,489 | 29.6 | 45,884 | 1,393,761 | 74 | 90,513 | 9.6 | 157,141 | 1,441,921 | | | | | |
| 55 | 83,626 | 28.6 | 48,733 | 1,428,654 | 75 | 86,515 | 8.6 | 167,665 | 1,360,771 | | | | | |
| 56 | 85,719 | 27.6 | 51,763 | 1,462,610 | 76 | 81,646 | 7.6 | 179,049 | 1,263,369 | | | | | |
| 57 | 87,757 | 26.6 | 54,985 | 1,495,382 | 77 | 75,802 | 6.6 | 191,420 | 1,147,751 | | | | | |
| 58 | 89,723 | 25.6 | 58,413 | 1,526,691 | 78 | 68,865 | 5.6 | 204,956 | 1,011,661 | | | | | |

Cumulative Annuity Distributions & Account Balances



All charts and ledgers are hypothetical and for illustrative purposes only. They are not intended to reflect the performance of any specific investment vehicle.

Appendix

Calculation Methods, Rules, Assumptions, Terms & Definitions

Summary Of Illustration Calculation Methods, Rules, & Assumptions

- This is a hypothetical illustration.
- All internal calculations are performed using real number variables significant to four decimal places and are based on assumptions regarding initial account balances; client, spouse and other beneficiary info; projected earnings on the account; estimated tax rates; and current applicable IRS rules and regulations.
- All deposits and withdrawals are assumed to be made on the last day (12/31) of each year.
- All internal numbers are rounded to an integer (whole number) for presentation purposes.
- This is an illustration of a Non-Qualified Annuity Account (NQA).
- All Required Minimum Distributions (RMD) calculations are based on the temporary and final regulations and life expectancy tables published in 2002 by the IRS.
- All Estate Taxes and IRD (Income with Respect To Decedent) Taxes are only estimates calculated using an estimated applicable estate tax rate (ex. 40%) and estimated IRD tax rate. There are numerous factors including the value of the applicable Unified Credits and other assets not included in this hypothetical illustration that could have a significant impact on the illustrated values in this hypothetical projection as well as the actual tax amounts incurred.
- All presentations show the future value of the dollars. This illustration does not demonstrate the impact of inflation on any value shown.

Single Term Certain Life Expectancy

This option is used after death of the spouse, in case of inherited Annuity (i.e., not retitled), and after death of the owner when beneficiary is not the spouse. Life expectancy is read from Table 1 only in the first year of distribution to the non-owner. Years of life expectancy are then decreased by one in each subsequent year.