

RAM GROUP

Lifetime Income Solutions (LIS)

Q&A

Q: What is the opportunity and why should I be interested in it?

A: Retirement Income Distribution is the opportunity. It will be the largest sales opportunity of our lifetimes. Ultimately, some \$12 Trillion dollars must be converted from an accumulation mode into a distribution mode. Currently the money is in 401(k), TSA, IRA, Mutual Funds, CD's, Deferred Annuities and other vehicles. We're talking about both non-qualified and qualified money.

Q: Ok, it's a lot of money. But how can this opportunity directly impact my business?

A: According to Cerrulli & Associates:

- Over the next five years IRA rollovers alone will increase from \$125 Billion to \$500 Billion annually
- Consumers are looking for solutions, not products
- The industry as a whole is unprepared
- Advice will be from the point of differentiation

In recognition of these facts RAM GROUP along with our large menu of carriers is creating a true solution for retirement income distribution called *Lifetime Income Solutions (LIS)*. It is designed to provide long-term, inflation adjusted retirement income without investment risk. *LIS* will be funded by our core carrier products – SPIA's, Fixed Annuities, and Fixed Indexed Annuities.

Q: Does such a program exist currently?

A: Only in the sense of solutions that include investment risk by definition. *LIS* will be one of the first "no investment risk retirement income solutions" in the marketplace.

Q: Sounds like this program could create a competitive advantage for me. Correct?

A: Like your read about! Not only will it appeal to many consumers who prefer safe money solutions, *LIS* will be the first income-planning program aimed at both registered and non-registered agents. Until now, hundreds of thousands of non-registered producers have had no solution-based income distribution alternative available to them. It is likely that these producers will find such a solution very attractive. In addition, many registered representatives will likely find the program attractive for their conservative clients.

Q: OK, I am getting excited about this. It seems like there is a huge opportunity here? Am I right?

A: You are! Not since the advent of universal life has there been an offering so unique and aimed at a marketplace with such an obvious and significant need.

Important Note: The information in this document is only intended as a general overview and is not intended to provide tax advice. There may be carrier, product or state variations or there may have been changes in the tax law that may affect the information in this section. Please consult a tax-advisor for specific tax advice. Also, please consult RAM Group and the specific carrier for specific product and state variations.

Lifetime Income Solution

Total Initial Premium	\$5,000,000.00
Inflation Rate Used	3.0%
Tax Rate Used	33%
Tax Status	Non Qualified
Tax Basis Assumed	\$5,000,000.00

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	Phase 1	Phase 2	Phase 3	Phase 4A	Phase 4B	Total Accumulation Value
5.00% Indexed Projected Values						
Deposit	\$753,168.01	\$733,437.63	\$759,644.09	\$1,376,875.14	\$1,376,875.14	\$5,000,000.00
Accumulation Term (Years)	0	5	10	15	15	
Premium Bonus	0.00%	8.00%	0.00%	6.00%	4.00%	
Interest Bonus	0.00%	0.00%	1.00%	0.00%	0.00%	
Accumulation Interest Rate	0.00%	3.50%	4.10%	5.00%	5.00%	
Accumulation at Payout	\$753,168.01	\$940,781.33	\$1,146,223.85	\$3,034,170.00	\$2,976,921.51	
Payout Term (Years)	5	5	5			
Monthly Payout Rate per \$1000	17.55	17.51	17.31			
Monthly Payout Before Tax	\$13,218.10	\$16,473.08	\$19,841.13			
Exclusion Ratio	95.0%	74.2%	63.8%			
Tax Rate	33%	33%	33%			
Monthly Tax Incurred	\$218.10	\$1,402.52	\$2,370.22			
Monthly Payout After Tax	\$13,000.00	\$15,070.56	\$17,470.91			
Accumulation Value End of:						
Year 5		\$940,781.33	\$937,596.11	\$1,862,717.17	\$1,827,571.57	\$5,568,666.18
Year 10			\$1,146,223.85	\$2,377,351.59	\$2,332,495.89	\$5,856,071.33
Year 15				\$3,034,170.00	\$2,976,921.51	\$6,011,091.50
Year 20				\$3,872,455.22	\$3,799,390.03	\$7,671,845.25

Guaranteed Minimum Values

Deposit	\$753,168.01	\$746,565.88	\$759,644.09	\$1,370,311.01	\$1,370,311.01	\$5,000,000.00
Accumulation Term (Years)	0	5	10	15	15	
Premium Bonus	0.00%	8.00%	0.00%	0.00%	0.00%	
Interest Bonus	0.00%	0.00%	1.00%	0.00%	0.00%	
Percent of Premium		100.00%	100.00%	87.50%	90.00%	
Accumulation Interest Rate	0.00%	3.00%	4.10%	1.45%	2.00%	
Accumulation at Payout	\$753,168.01	\$934,712.43	\$1,146,223.85	\$1,488,017.27	\$1,659,832.38	
Payout Term (Years)	5	5	5			
Monthly Payout Rate per \$1000	17.55	17.51	17.31			
Monthly Payout Before Tax	\$13,218.10	\$16,366.81	\$19,841.13			
Exclusion Ratio	95.0%	76.0%	63.8%			
Tax Rate	33%	33%	33%			
Monthly Tax Incurred	\$218.10	\$1,296.25	\$2,370.22			
Monthly Payout After Tax	\$13,000.00	\$15,070.56	\$17,470.91			
Accumulation Value End of:						
Year 5		\$934,712.43	\$937,596.11	\$1,288,509.00	\$1,361,640.67	\$4,522,458.21
Year 10			\$1,146,223.85	\$1,384,674.56	\$1,503,361.33	\$4,034,259.74
Year 15				\$1,488,017.27	\$1,659,832.38	\$3,147,849.65
Year 20				\$1,599,072.77	\$1,832,589.07	\$3,431,661.84

Notes:

This sheet must be attached to illustrations for the above products, products quoted are fixed deferred annuities, fixed indexed annuities, & SPIA's .

Results show estimated returns only. Actual returns may be higher or lower.

Values are based on current interest rates and indexing adjustments which will change without notice.

For best results, use Company Guaranteed Results values.

Inflation Rates apply between leg 1 and leg 2 and between leg 2 and leg 3 only.

These calculations are believed to be accurate but are not guaranteed for any specific purpose.

Lifetime Income Solution

5.00% Indexed Projected Values

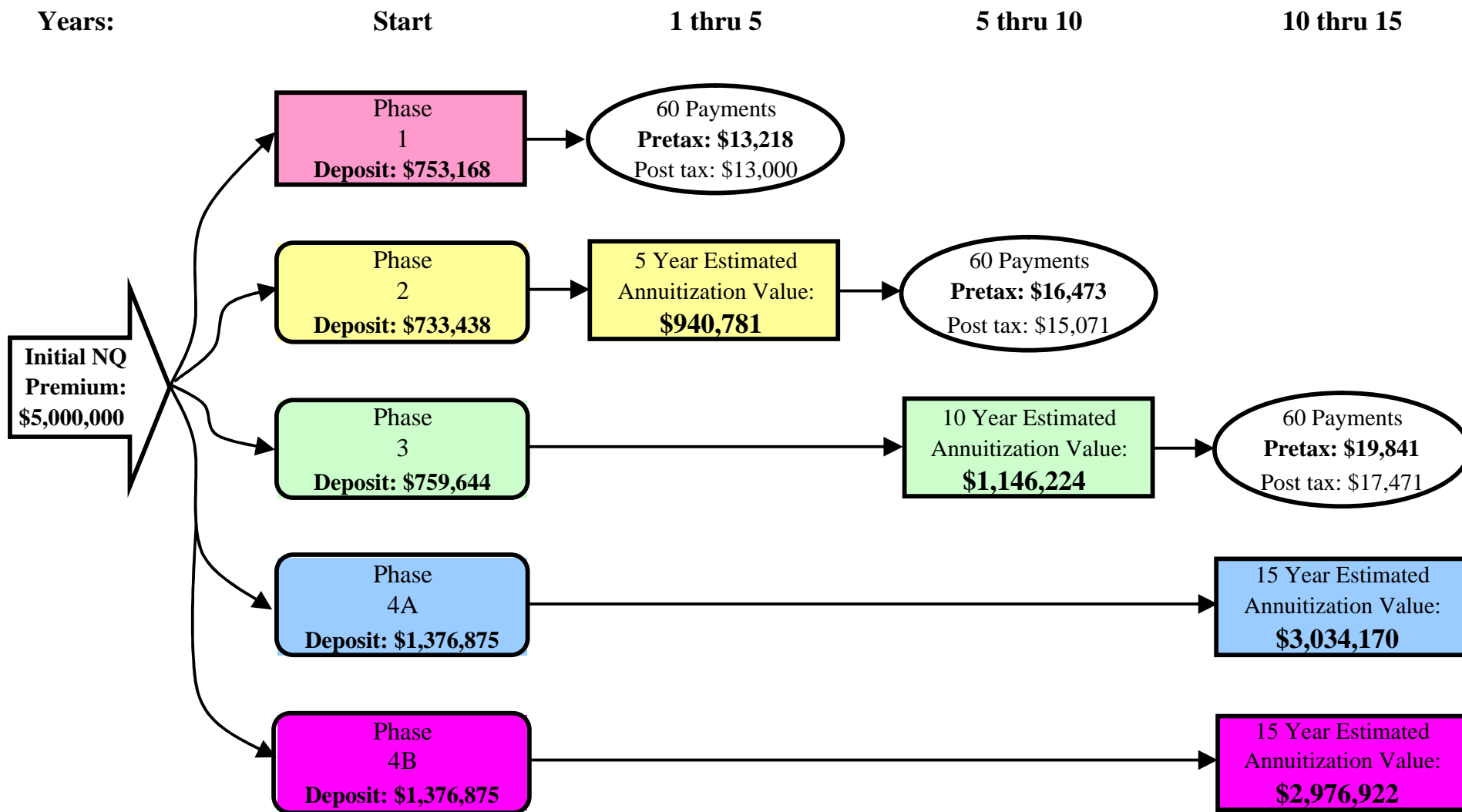
For: Valued Client

Date: 8/22/2005

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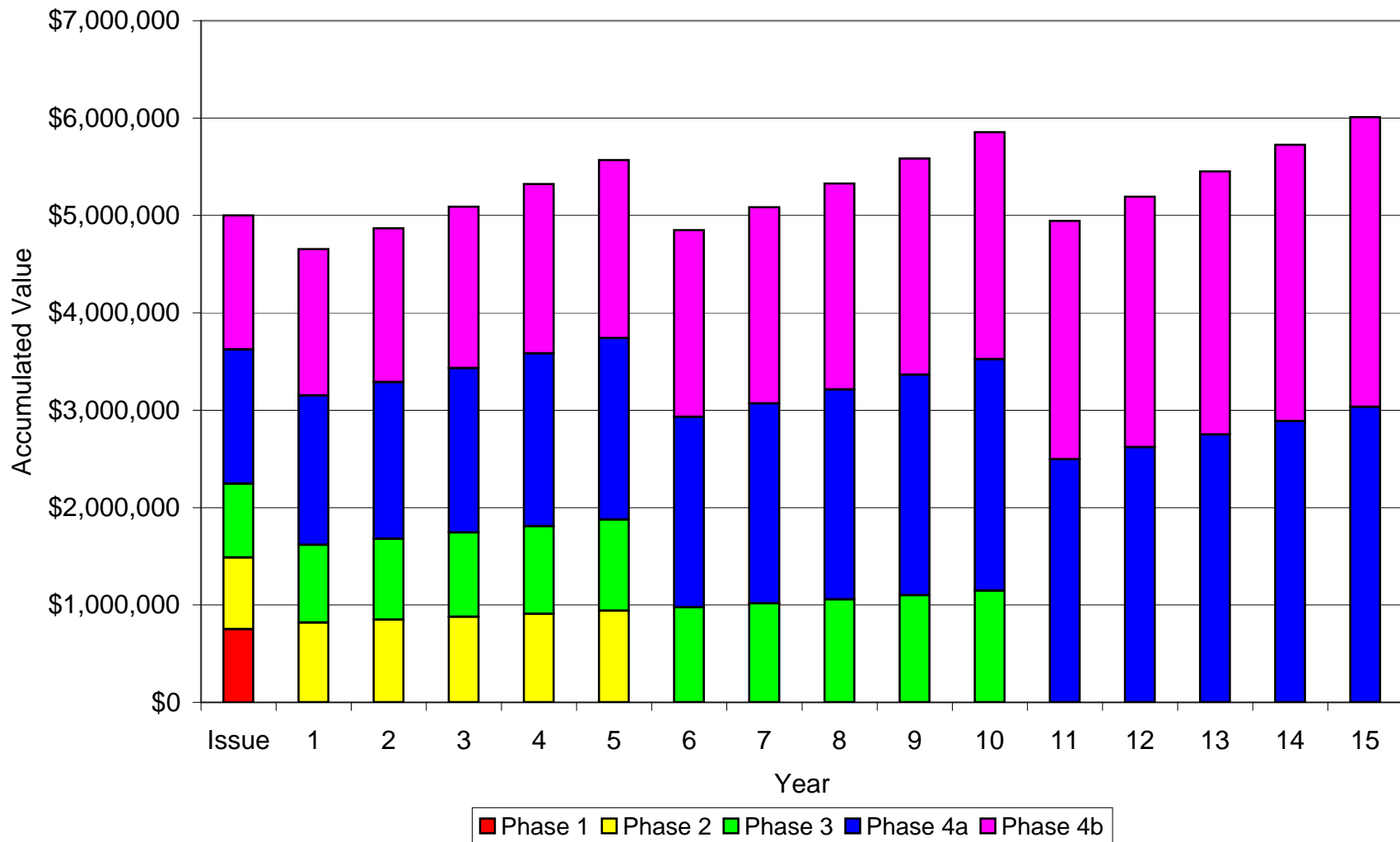
Total 15 Year Value =

60 payments x \$13,218 +
60 payments x \$16,473 +
60 payments x \$19,841 +
Final AV of \$3,034,170 +
Final AV of \$2,976,922 =
\$8,983,030



This page must be shown together with supporting illustrations of the above products. Results are not guaranteed.

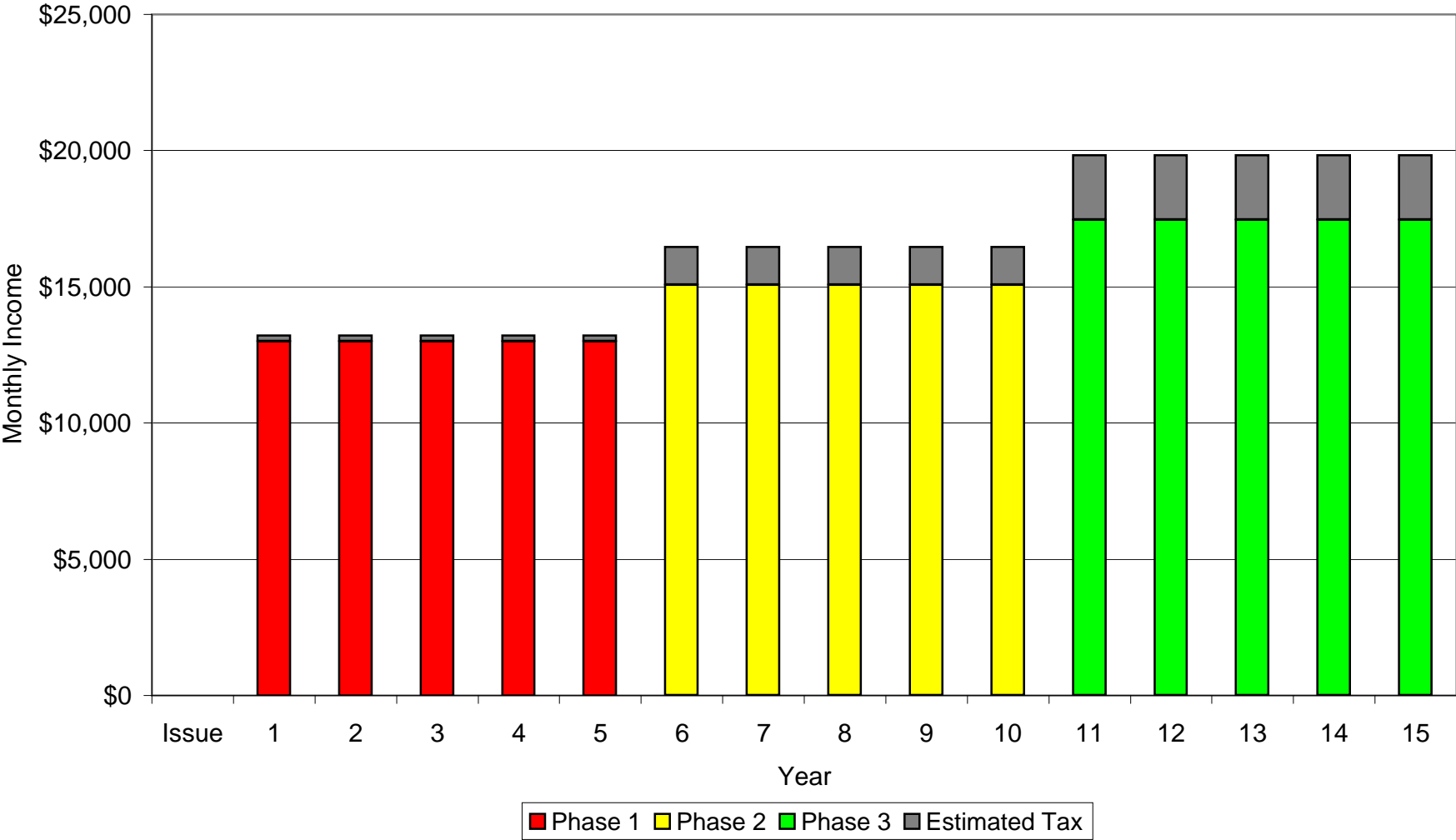
Accumulated Value of Split Annuity Proposal



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Monthly Income From Split Annuity Proposal

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