

**LONG-TERM CARE INSURANCE FUNDING IN RETIREMENT**

*Projected Annual Gross and Taxable Income and Value/Death Benefit*

Assuming 55-Year Old, Withdrawals Beginning at Age 68, Investment of \$50,000 in a Nonqualified Fixed Index Annuity ("FIA") With Income Rider vs. Deferred Income Annuity ("DIA") With No Death Benefit, And Assuming FIA Premium Bonus of 10%, Annual Return of 3%, and Income Rider Charge of 0.95% of Income Rider Value

| Year          | Age | ANNUAL GROSS INCOME |                |               | ANNUAL TAXABLE INCOME |               |               | VALUE/DEATH BENEFIT |     |            |
|---------------|-----|---------------------|----------------|---------------|-----------------------|---------------|---------------|---------------------|-----|------------|
|               |     | FIA                 | DIA            | Difference    | FIA                   | DIA           | Difference    | FIA                 | DIA | Difference |
| 2012          | 55  | 0                   | 0              | 0             | 0                     | 0             | 0             | 56,278              | 0   | 56,278     |
| 2013          | 56  | 0                   | 0              | 0             | 0                     | 0             | 0             | 57,374              | 0   | 57,374     |
| 2014          | 57  | 0                   | 0              | 0             | 0                     | 0             | 0             | 58,467              | 0   | 58,467     |
| 2015          | 58  | 0                   | 0              | 0             | 0                     | 0             | 0             | 59,553              | 0   | 59,553     |
| 2016          | 59  | 0                   | 0              | 0             | 0                     | 0             | 0             | 60,629              | 0   | 60,629     |
| 2017          | 60  | 0                   | 0              | 0             | 0                     | 0             | 0             | 61,694              | 0   | 61,694     |
| 2018          | 61  | 0                   | 0              | 0             | 0                     | 0             | 0             | 62,744              | 0   | 62,744     |
| 2019          | 62  | 0                   | 0              | 0             | 0                     | 0             | 0             | 63,775              | 0   | 63,775     |
| 2020          | 63  | 0                   | 0              | 0             | 0                     | 0             | 0             | 64,783              | 0   | 64,783     |
| 2021          | 64  | 0                   | 0              | 0             | 0                     | 0             | 0             | 65,766              | 0   | 65,766     |
| 2022          | 65  | 0                   | 0              | 0             | 0                     | 0             | 0             | 66,717              | 0   | 66,717     |
| 2023          | 66  | 0                   | 0              | 0             | 0                     | 0             | 0             | 67,634              | 0   | 67,634     |
| 2024          | 67  | 0                   | 0              | 0             | 0                     | 0             | 0             | 68,510              | 0   | 68,510     |
| 2025          | 68  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 63,703              | 0   | 63,703     |
| 2026          | 69  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 58,806              | 0   | 58,806     |
| 2027          | 70  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 53,818              | 0   | 53,818     |
| 2028          | 71  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 48,734              | 0   | 48,734     |
| 2029          | 72  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 43,553              | 0   | 43,553     |
| 2030          | 73  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 38,271              | 0   | 38,271     |
| 2031          | 74  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 32,885              | 0   | 32,885     |
| 2032          | 75  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 27,392              | 0   | 27,392     |
| 2033          | 76  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 21,790              | 0   | 21,790     |
| 2034          | 77  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 16,074              | 0   | 16,074     |
| 2035          | 78  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 10,242              | 0   | 10,242     |
| 2036          | 79  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 4,289               | 0   | 4,289      |
| 2037          | 80  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2038          | 81  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2039          | 82  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2040          | 83  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2041          | 84  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2042          | 85  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2043          | 86  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2044          | 87  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2045          | 88  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2046          | 89  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| 2047          | 90  | 5,764               | 6,000          | -236          | 5,764                 | 3,066         | 2,698         | 0                   | 0   | 0          |
| <b>Totals</b> |     | <b>132,572</b>      | <b>138,000</b> | <b>-5,428</b> | <b>132,572</b>        | <b>70,518</b> | <b>62,054</b> |                     |     |            |