Your Plan for Thriving in Retirement®

Thrive® Retirement Income Proposal

Prepared for:	Joe Smith Jane Simth
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Date:	05/24/2010

Mr. Smith and Ms. Simth,

Welcome to Thrive®, your plan for thriving in retirement! This proposal presents a solution that provides a guaranteed stream of income using one or more annuities that may be purchased using all or a portion of the assets you identify as available for use in the Thrive® proposal. Any discussion of guaranteed income in this proposal is provided by the guarantees made by the insurance companies issuing the annuities.

The Thrive® system has calculated that you should use **$426,468** to purchase **2** contracts. By completing these purchases, you would receive **$843,868** of guaranteed* income during your retirement period, with an internal rate of return of **4.46%**.

Information about the proposed guaranteed income annuity contracts is listed in the table below.

#	Premium	Contract Owner	Tax Treatment	G'teed Monthly Income	Annual Increase	Start Date	End Date	# of Months	Exclusion Ratio
1	$127,079	Joint	Non Qualified	$2,181	0.0%	01/01/2012	12/31/2016	60	97.1%
2	$299,390	Joint	Non Qualified	$1,562	5.0%	01/01/2017	10/31/2038	262	42.0%

Your remaining assets, **$293,532**, plus accumulated net cash flows may result in a projected balance of **$786,402** over your retirement horizon. This is a hypothetical based on the short and long-term rates of return you assumed (3.0% and 6.0%, respectively), and is not guaranteed.

The pages following provide more information about your proposed solution. **Before making any decisions, please read the disclosures at the end of the proposal. They describe the limitations of this proposal.**

Joe Advisor

* Guarantees based on insurer's claim paying ability.

Asset Dashboard

Source	*Total*	*Unavailable*	*Available*	*Used for Income Annuities*	*Left for Growth*
NON QUALIFIED					
	$500,000	$0	$500,000	$426,468	$73,532
QUALIFIED					
Joe	$150,000	$0	$150,000	$0	$150,000
Jane	$70,000	$0	$70,000	$0	$70,000
ROTH IRA					
Joe	$0	$0	$0	$0	$0
Jane	$0	$0	$0	$0	$0
TOTAL	***$720,000***	***$0***	***$720,000***	***$426,468***	***$293,532***
Minimum Liquidity Percent			10.0%		
Minimum Liquidity Target					$72,000

Thrive® Solution Summary Dashboard

Asset Summary

	Market Value
Total Assets	**$720,000**
Unavailable	$0
Available	**$720,000**
Used for Income Annuities	$426,468
Left for Growth	$293,532
Liquidity Target	**$72,000**

Income Annuity Summary

Name	Start Date	End Date	Monthly Income	Annual Increase	IRR **	Total G'teed Income
Bucket 1	01/01/2012	12/31/2016	$2,181	0.0%		$130,869
Bucket 2	01/01/2017	10/31/2038	$1,562	5.0%		$712,999
Total	**01/01/2012**	**10/31/2038**			**4.46%**	**$843,868**

Asset Projection Summary

		Total Investment Assets *	PV Income Annuities	Total
Start	06/01/2010	$293,532	$426,468	$720,000
End	10/31/2038	$786,402	$0	$786,402

**** Projected based on the short and long-term rates of return you assumed (3.0% and 6.0%, respectively), and is not guaranteed.***

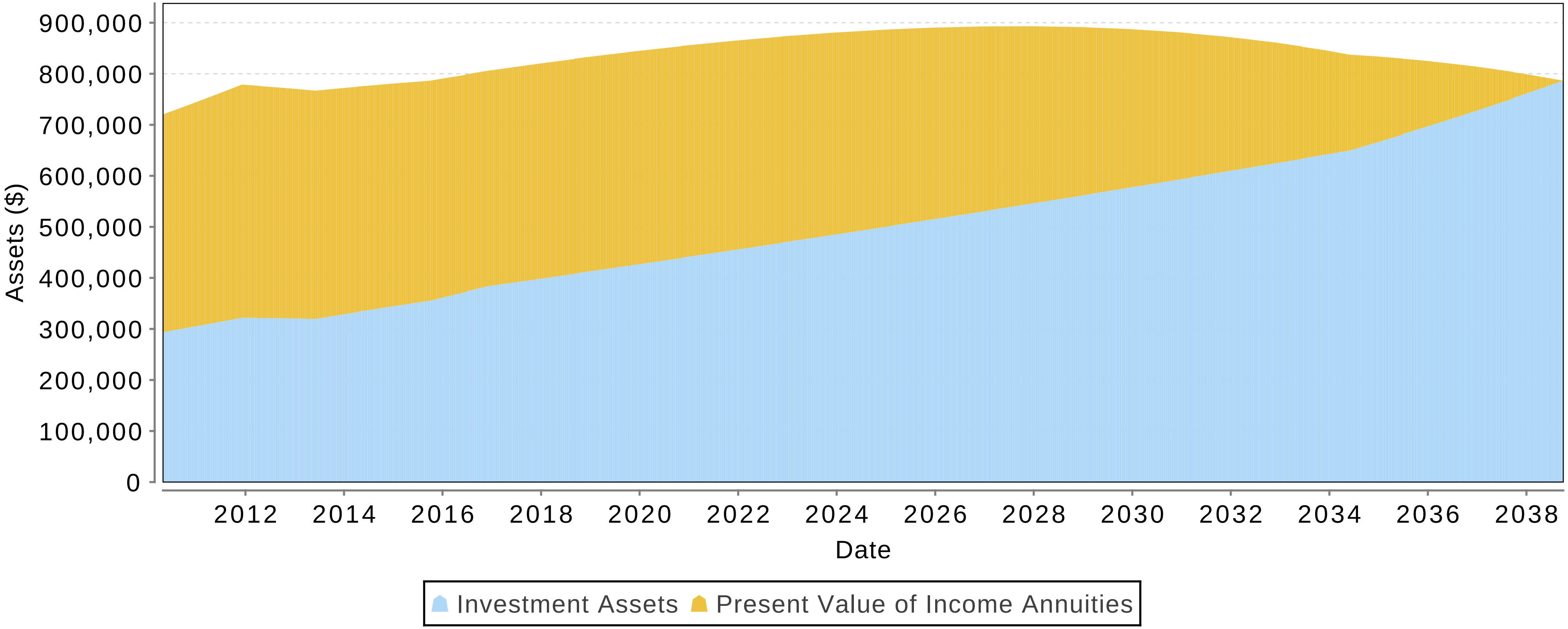
***** IRR (internal rate of return) is the pre-tax, net return on the income annuities.***

Asset Projection

Projected Rates of Return

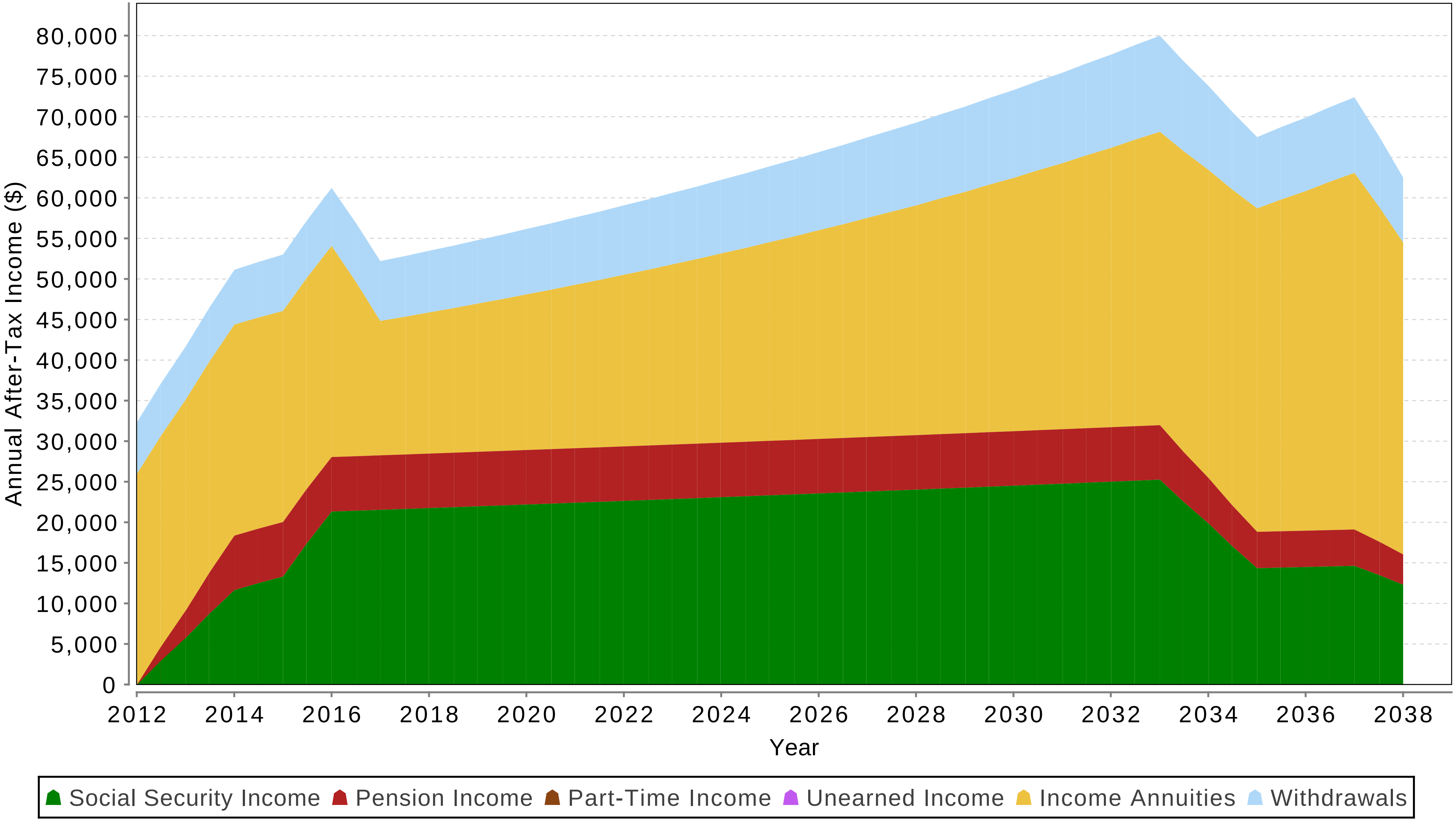
IRR on Income Annuities	4.46%
Long-Term Rate of Return	6.00%
Short-Term Rate of Return	3.00%

We attribute a "present value" to the annuities which provide guaranteed income in this proposal. This value is hypothetical only and is based on the present value of remaining pre-tax guaranteed income payments at a rate equal to the internal rate of return for the annuities. The value illustrated is not available in a lumpsum cash payment.



Total Income (After-Tax) Projection

The total after-tax income amounts shown below are projected estimates only and no portion of the amounts shown are guaranteed.



Appendix 1: Client Information

Your Information

Your Sources of Income

Your Investment Assets

Your Information

	Joe Smith	Jane Simth
Date of Birth	06/08/1947	10/03/1948
Age	62	61
Gender	Male	Female
State of Residence	NJ	NJ

Retirement Horizon

Retirement Date	01/01/2012	01/01/2012
Life Expectancy	87	90

Income Goal: Income Need and Withdrawals

	Income Need	Withdrawals
Monthly Amount	$3,000	$500
Annual Increase	3.0%	3.0%
Time Adjustment	Today's Dollars	Today's Dollars
Tax Adjustment	After-Tax	After-Tax

Income Need Changes

Changes At	Change Type	Change Amount
Life Expectancy for Joe	Percentage Decrease	30.0%

Withdrawal Changes

Changes At	Change Type	Change Amount
Life Expectancy for Joe	Percentage Decrease	30.0%

Other Assumptions

Minimum Liquidity Percent	10.0%
Long-Term Rate of Return	6.00%
Short-Term Rate of Return	3.00%
Current and Future Effective Tax Rate *	20.0%

***** This Effective Tax Rate includes both Federal and State Income taxes and is an estimate based upon information provided by you. We have used this tax rate to determine projected after-tax income throughout this proposal. As your effective tax rate each year is dependent upon several variables including changes in the tax code, we cannot and do not warranty the accuracy of the Effective Tax Rate. Consult a qualified tax advisor.***

Your Sources of Income

All of the information shown on this page was provided by you. Your actual income from any of these sources may be higher or lower than assumed.

Social Security

	Joe	Jane
Monthly Amount	$1,200	$975
Annual Increase	1.0%	1.0%
Starting Age	66	67
Medicare Part B Premium	$0	$0
Annual Increase	0%	0%

Pension

	Joe	Jane
Monthly Amount	$700	N/A
Annual Increase	0.0%	N/A
Start Date	07/01/2013	N/A
Survivor % Reduction	33.3%	N/A

No part-time incomes included.

No unearned incomes included.

Your Investment Assets

Owner	Tax Treatment	Account Name	Market Value	Amount Available	As Of Date	Institution
Joint	Non Qualified	Savings	$500,000	100.0%	05/20/2010	ABC Financial
Joe	Qualified	Joe's IRA	$150,000	100.0%	05/20/2010	Fidelity
Jane	Qualified	Jane's IRA	$70,000	100.0%	05/20/2010	Vanuguard

Appendix 2: Thrive Solution Details

Sources of Income Projections

Income Need, Income Gap, and Income Annuity Projections

Income Projections by Bucket

Growth Asset Projections

Bank Account Projections

Asset Projections

Sources of Income Projections for Joe

Year	Age	Social Security	Pension Income	Part-Time Income	Unearned Income	Total Pre-Tax
2010	64	$0	$0	$0	$0	$0
2011	65	$0	$0	$0	$0	$0
2012	66	$0	$0	$0	$0	$0
2013	67	$7,200	$4,200	$0	$0	$11,400
2014	68	$14,544	$8,400	$0	$0	$22,944
2015	69	$14,689	$8,400	$0	$0	$23,089
2016	70	$14,836	$8,400	$0	$0	$23,236
2017	71	$14,985	$8,400	$0	$0	$23,385
2018	72	$15,135	$8,400	$0	$0	$23,535
2019	73	$15,286	$8,400	$0	$0	$23,686
2020	74	$15,439	$8,400	$0	$0	$23,839
2021	75	$15,593	$8,400	$0	$0	$23,993
2022	76	$15,749	$8,400	$0	$0	$24,149
2023	77	$15,907	$8,400	$0	$0	$24,307
2024	78	$16,066	$8,400	$0	$0	$24,466
2025	79	$16,226	$8,400	$0	$0	$24,626
2026	80	$16,389	$8,400	$0	$0	$24,789
2027	81	$16,552	$8,400	$0	$0	$24,952
2028	82	$16,718	$8,400	$0	$0	$25,118

Sources of Income Projections for Jane

Year	Age	Social Security	Pension Income	Part-Time Income	Unearned Income	Total Pre-Tax
2010	62	$0	$0	$0	$0	$0
2011	63	$0	$0	$0	$0	$0
2012	64	$0	$0	$0	$0	$0
2013	65	$0	$0	$0	$0	$0
2014	66	$0	$0	$0	$0	$0
2015	67	$1,950	$0	$0	$0	$1,950
2016	68	$11,817	$0	$0	$0	$11,817
2017	69	$11,935	$0	$0	$0	$11,935
2018	70	$12,055	$0	$0	$0	$12,055
2019	71	$12,175	$0	$0	$0	$12,175
2020	72	$12,297	$0	$0	$0	$12,297
2021	73	$12,420	$0	$0	$0	$12,420
2022	74	$12,544	$0	$0	$0	$12,544
2023	75	$12,669	$0	$0	$0	$12,669
2024	76	$12,796	$0	$0	$0	$12,796
2025	77	$12,924	$0	$0	$0	$12,924
2026	78	$13,053	$0	$0	$0	$13,053
2027	79	$13,184	$0	$0	$0	$13,184
2028	80	$13,316	$0	$0	$0	$13,316

Year	Age	Social Security	Pension Income	Part-Time Income	Unearned Income	Total Pre-Tax
2029	81	$13,449	$0	$0	$0	$13,449
2030	82	$13,583	$0	$0	$0	$13,583
2031	83	$13,719	$0	$0	$0	$13,719
2032	84	$13,856	$0	$0	$0	$13,856
2033	85	$13,995	$0	$0	$0	$13,995
2034	86	$15,941	$2,801	$0	$0	$18,742
2035	87	$17,924	$5,603	$0	$0	$23,527
2036	88	$18,103	$5,603	$0	$0	$23,706
2037	89	$18,284	$5,603	$0	$0	$23,887
2038	90	$15,389	$4,669	$0	$0	$20,058

Income Need, Income Gap, and Income Annuity Projections

Year	Age (C1/C2)	Income Need Pre-Tax	Income Need After-Tax	Total Sources Pre-Tax	Total Sources After-Tax	Income Gap After-Tax	Total Guaranteed Income, Estimated After-Tax	Net Cash Flow
2010	64 / 62	$0	$0	$0	$0	**$0**	$0	$0
2011	65 / 63	$0	$0	$0	$0	**$0**	$0	$0
2012	66 / 64	$47,741	$38,192	$0	$0	**$38,192**	$26,022	$-12,170
2013	67 / 65	$49,173	$39,338	$11,400	$9,120	**$30,218**	$26,022	$-4,196
2014	68 / 66	$50,648	$40,518	$22,944	$18,355	**$22,163**	$26,022	$3,859
2015	69 / 67	$52,167	$41,734	$25,039	$20,032	**$21,702**	$26,022	$4,320
2016	70 / 68	$53,732	$42,986	$35,053	$28,043	**$14,943**	$26,022	$11,079
2017	71 / 69	$55,344	$44,275	$35,320	$28,256	**$16,020**	$16,569	$549
2018	72 / 70	$57,005	$45,604	$35,589	$28,471	**$17,132**	$17,397	$265
2019	73 / 71	$58,715	$46,972	$35,861	$28,689	**$18,283**	$18,267	$-16
2020	74 / 72	$60,476	$48,381	$36,136	$28,908	**$19,473**	$19,180	$-292
2021	75 / 73	$62,291	$49,832	$36,413	$29,130	**$20,702**	$20,139	$-563
2022	76 / 74	$64,159	$51,327	$36,693	$29,354	**$21,973**	$21,146	$-827
2023	77 / 75	$66,084	$52,867	$36,976	$29,581	**$23,286**	$22,204	$-1,083
2024	78 / 76	$68,067	$54,453	$37,262	$29,809	**$24,644**	$23,314	$-1,330
2025	79 / 77	$70,109	$56,087	$37,550	$30,040	**$26,047**	$24,480	$-1,567
2026	80 / 78	$72,212	$57,769	$37,842	$30,273	**$27,496**	$25,704	$-1,792

Year	Age (C1/C2)	Income Need Pre-Tax	Income Need After-Tax	Total Sources Pre-Tax	Total Sources After-Tax	Income Gap After-Tax	Total Guaranteed Income, Estimated After-Tax	Net Cash Flow
2027	81 / 79	$74,378	$59,503	$38,136	$30,509	**$28,993**	$26,989	$-2,005
2028	82 / 80	$76,609	$61,288	$38,434	$30,747	**$30,541**	$28,338	$-2,202
2029	83 / 81	$78,908	$63,126	$38,734	$30,987	**$32,139**	$29,755	$-2,384
2030	84 / 82	$81,275	$65,020	$39,037	$31,230	**$33,790**	$31,243	$-2,547
2031	85 / 83	$83,713	$66,971	$39,344	$31,475	**$35,496**	$32,805	$-2,691
2032	86 / 84	$86,225	$68,980	$39,653	$31,723	**$37,257**	$34,445	$-2,812
2033	87 / 85	$88,811	$71,049	$39,966	$31,973	**$39,077**	$36,168	$-2,909
2034	-- / 86	$77,754	$62,203	$31,815	$25,452	**$36,751**	$37,976	$1,225
2035	-- / 87	$65,954	$52,763	$23,527	$18,821	**$33,942**	$39,875	$5,933
2036	-- / 88	$67,933	$54,346	$23,706	$18,965	**$35,381**	$41,868	$6,487
2037	-- / 89	$69,971	$55,976	$23,887	$19,110	**$36,867**	$43,962	$7,095
2038	-- / 90	$60,058	$48,046	$20,058	$16,047	**$32,000**	$38,467	$6,467

Income Projections by Bucket

Year	Age (C1/C2)	Bucket 1 Pre-Tax	Bucket 1 After-Tax	Bucket 2 Pre-Tax	Bucket 2 After-Tax	Total Guaranteed Income, Estimated After-Tax
2010	64 / 62	$0	$0	$0	$0	**$0**
2011	65 / 63	$0	$0	$0	$0	**$0**
2012	66 / 64	$26,174	$26,022	$0	$0	**$26,022**
2013	67 / 65	$26,174	$26,022	$0	$0	**$26,022**
2014	68 / 66	$26,174	$26,022	$0	$0	**$26,022**
2015	69 / 67	$26,174	$26,022	$0	$0	**$26,022**
2016	70 / 68	$26,174	$26,022	$0	$0	**$26,022**
2017	71 / 69	$0	$0	$18,743	$16,569	**$16,569**
2018	72 / 70	$0	$0	$19,680	$17,397	**$17,397**
2019	73 / 71	$0	$0	$20,664	$18,267	**$18,267**
2020	74 / 72	$0	$0	$21,697	$19,180	**$19,180**
2021	75 / 73	$0	$0	$22,782	$20,139	**$20,139**
2022	76 / 74	$0	$0	$23,921	$21,146	**$21,146**
2023	77 / 75	$0	$0	$25,117	$22,204	**$22,204**
2024	78 / 76	$0	$0	$26,373	$23,314	**$23,314**
2025	79 / 77	$0	$0	$27,692	$24,480	**$24,480**
2026	80 / 78	$0	$0	$29,076	$25,704	**$25,704**
2027	81 / 79	$0	$0	$30,530	$26,989	**$26,989**

Year	Age (C1/C2)	Bucket 1 Pre-Tax	Bucket 1 After-Tax	Bucket 2 Pre-Tax	Bucket 2 After-Tax	Total Guaranteed Income, Estimated After-Tax
2028	82 / 80	$0	$0	$32,057	$28,338	**$28,338**
2029	83 / 81	$0	$0	$33,660	$29,755	**$29,755**
2030	84 / 82	$0	$0	$35,343	$31,243	**$31,243**
2031	85 / 83	$0	$0	$37,110	$32,805	**$32,805**
2032	86 / 84	$0	$0	$38,965	$34,445	**$34,445**
2033	87 / 85	$0	$0	$40,914	$36,168	**$36,168**
2034	-- / 86	$0	$0	$42,959	$37,976	**$37,976**
2035	-- / 87	$0	$0	$45,107	$39,875	**$39,875**
2036	-- / 88	$0	$0	$47,363	$41,868	**$41,868**
2037	-- / 89	$0	$0	$49,731	$43,962	**$43,962**
2038	-- / 90	$0	$0	$43,514	$38,467	**$38,467**

Growth Asset Projections

Year	Age (C1/C2)	NQ Assets	Client 1 Qualified	Client 2 Qualified	Client 1 Roth	Client 2 Roth	Total Growth Assets	Net Withdrawal	After Tax RMD
Start	63 / 61	$73,532	$150,000	$70,000	$0	$0	$293,532	$0	$0
2010	64 / 62	$76,074	$155,186	$72,420	$0	$0	$303,680	$0	$0
2011	65 / 63	$80,639	$164,497	$76,765	$0	$0	$321,901	$0	$0
2012	66 / 64	$85,477	$166,154	$81,371	$0	$0	$333,002	$6,365	$0
2013	67 / 65	$90,605	$167,664	$86,254	$0	$0	$344,523	$6,556	$0
2014	68 / 66	$96,042	$169,011	$91,429	$0	$0	$356,481	$6,753	$0
2015	69 / 67	$101,804	$170,177	$96,915	$0	$0	$368,895	$6,956	$0
2016	70 / 68	$107,913	$171,143	$102,729	$0	$0	$381,785	$7,164	$0
2017	71 / 69	$114,387	$171,891	$108,893	$0	$0	$395,171	$2,382	$4,997
2018	72 / 70	$121,251	$172,397	$115,427	$0	$0	$409,075	$2,411	$5,189
2019	73 / 71	$128,526	$175,790	$117,856	$0	$0	$422,172	$0	$8,872
2020	74 / 72	$136,237	$178,991	$120,176	$0	$0	$435,404	$0	$9,377
2021	75 / 73	$144,411	$181,968	$122,364	$0	$0	$448,743	$0	$9,909
2022	76 / 74	$153,076	$184,684	$124,399	$0	$0	$462,159	$0	$10,470
2023	77 / 75	$162,261	$187,100	$126,256	$0	$0	$475,616	$0	$11,062
2024	78 / 76	$171,996	$189,216	$127,907	$0	$0	$489,119	$0	$11,651
2025	79 / 77	$182,316	$190,948	$129,354	$0	$0	$502,618	$0	$12,283
2026	80 / 78	$193,255	$192,297	$130,538	$0	$0	$516,090	$0	$12,931

Year	Age (C1/C2)	NQ Assets	Client 1 Qualified	Client 2 Qualified	Client 1 Roth	Client 2 Roth	Total Growth Assets	Net Withdrawal	After Tax RMD
2027	81 / 79	$204,850	$193,220	$131,460	$0	$0	$529,531	$0	$13,582
2028	82 / 80	$217,141	$193,671	$132,092	$0	$0	$542,904	$0	$14,260
2029	83 / 81	$230,170	$193,601	$132,400	$0	$0	$556,171	$0	$14,964
2030	84 / 82	$243,980	$192,957	$132,352	$0	$0	$569,289	$0	$15,696
2031	85 / 83	$258,619	$191,685	$131,912	$0	$0	$582,215	$0	$16,455
2032	86 / 84	$274,136	$189,817	$131,042	$0	$0	$594,995	$0	$17,170
2033	87 / 85	$290,584	$187,310	$129,765	$0	$0	$607,659	$0	$17,853
2034	-- / 86	$308,019	$184,120	$128,051	$0	$0	$620,190	$0	$18,545
2035	-- / 87	$326,500	$180,203	$125,870	$0	$0	$632,573	$0	$19,243
2036	-- / 88	$346,090	$175,514	$123,192	$0	$0	$644,797	$0	$19,942
2037	-- / 89	$366,856	$170,153	$119,987	$0	$0	$656,996	$0	$20,530
2038	-- / 90	$385,109	$165,134	$116,948	$0	$0	$667,190	$0	$17,520

Bank Account Projections

Year	Age (C1/C2)	Net Cash Flow	Net RMD	Unfunded Withdrawals	Interest	Balance
Start	63 / 61	$0	$0	$0	$0	$0
2010	64 / 62	$0	$0	$0	$0	$0
2011	65 / 63	$0	$0	$0	$0	$0
2012	66 / 64	$-12,170	$0	$0	$-158	$-12,328
2013	67 / 65	$-4,196	$0	$0	$-405	$-16,929
2014	68 / 66	$3,859	$0	$0	$-356	$-13,427
2015	69 / 67	$4,320	$0	$0	$-282	$-9,389
2016	70 / 68	$11,079	$0	$0	$-82	$1,608
2017	71 / 69	$549	$0	$0	$46	$2,203
2018	72 / 70	$265	$0	$0	$56	$2,524
2019	73 / 71	$-16	$1,043	$0	$74	$3,625
2020	74 / 72	$-292	$1,313	$0	$100	$4,746
2021	75 / 73	$-563	$1,603	$0	$127	$5,915
2022	76 / 74	$-827	$1,915	$0	$156	$7,160
2023	77 / 75	$-1,083	$2,250	$0	$187	$8,514
2024	78 / 76	$-1,330	$2,576	$0	$220	$9,981
2025	79 / 77	$-1,567	$2,936	$0	$257	$11,607
2026	80 / 78	$-1,792	$3,303	$0	$298	$13,416

Asset Projections

Year	Age (C1/C2)	Total Growth Assets	Bank Account	Total Investment Assets	PV of Income Annuities*	Total Value
Start	63 / 61	$293,532	$0	$293,532	$426,468	$720,000
2010	64 / 62	$303,680	$0	$303,680	$437,451	$741,131
2011	65 / 63	$321,901	$0	$321,901	$456,941	$778,842
2012	66 / 64	$333,002	$-12,328	$320,674	$450,594	$771,269
2013	67 / 65	$344,523	$-16,929	$327,594	$443,966	$771,559
2014	68 / 66	$356,481	$-13,427	$343,054	$437,041	$780,096
2015	69 / 67	$368,895	$-9,389	$359,507	$429,809	$789,315
2016	70 / 68	$381,785	$1,608	$383,393	$422,254	$805,647
2017	71 / 69	$395,171	$2,203	$397,374	$421,943	$819,318
2018	72 / 70	$409,075	$2,524	$411,599	$420,663	$832,262
2019	73 / 71	$422,172	$3,625	$425,797	$418,322	$844,119
2020	74 / 72	$435,404	$4,746	$440,150	$414,823	$854,973
2021	75 / 73	$448,743	$5,915	$454,658	$410,060	$864,718
2022	76 / 74	$462,159	$7,160	$469,318	$403,924	$873,242
2023	77 / 75	$475,616	$8,514	$484,130	$396,293	$880,424
2024	78 / 76	$489,119	$9,981	$499,100	$387,042	$886,142
2025	79 / 77	$502,618	$11,607	$514,225	$376,032	$890,257
2026	80 / 78	$516,090	$13,416	$529,506	$363,120	$892,626

***** See disclaimer 19 for an explanation of how this value is calculated.***

Appendix 3: Disclosures

Disclosure Overview

Disclosure Details

Disclosure Overview

Welcome to Thrive®, your plan for thriving in retirement. This proposal presents a solution that provides a guaranteed stream of income using one or more annuities that may be purchased using all or a portion of the assets you identify as available for use in the Thrive® proposal. Any discussion of guaranteed income in this proposal is provided by the guarantees made by the insurance companies issuing the annuities.

You provided information about your tax rate, retirement income needs, when you want to retire, and your life expectancy age(s). We used this data to estimate the monthly after-tax income needs for your retirement horizon. Your retirement horizon starts with your retirement date and goes until your life expectancy age, or the later of the life expectancy ages of you and your spouse, if applicable. You also provided information about your sources of income in retirement, such as Social Security, pension income, and other sources. This allowed us to estimate your monthly after-tax income from your income sources for your retirement horizon. By subtracting these estimates (income needs less income sources), we calculate your monthly after-tax income gap, for each month of your retirement horizon.

The proprietary Thrive® software then determines a way to use one or more income annuities to fill any income gap with guaranteed* income. This is done using current annuity prices that may be available to you. We match the after-tax income from the annuities to your after-tax income gap as closely as we can, over your retirement horizon. Next we calculate your "income assets": the amount of assets you need to purchase the income annuities. The income assets are divided into one or more "income buckets", for purchasing the annuities. The main idea of the Thrive® Income Distribution System is that we use the income from your income buckets ("guaranteed income") to cover your income gap.

Assets not designated as income assets are called "growth". Sources of income which exceed your income need and any cash flows due to differences between your income gap and the guaranteed income, along with after-tax required minimum distributions not used to satisfy withdrawals, are separately tracked in a hypothetical bank account and accumulated at the after-tax short-term rate. Growth assets are assumed to grow at the long-term rate of interest you indicated. The after-tax amount of withdrawals you indicate are removed from growth assets and from the hypothetical bank account. Your total investment assets include growth assets along with the hypothetical bank account.

** Guarantees based on insurer's claim paying ability.*

Detailed Disclosures

1. This proposal projects values into the future based on information that you provide, as well as various estimates and assumptions we make, and does not guarantee future performance. Any expressed or implied warranties, including, but not limited to, the implied warranty of fitness for a particular purpose are disclaimed. In no event shall Thrive® Income Distribution System, LLC be liable for any direct, indirect, incidental, special, exemplary, or consequential damages (including, but not limited to, procurement of substitute goods or services; loss of use, data, or profits; or business interruption) however caused and on any theory of liability, whether in contract, strict liability, or tort (including negligence or otherwise) arising in any way out of the use of this proposal, even if advised of the possibility of such damage. You may only rely on the guarantees expressed under the terms of the contracts and the illustrations provided by the insurance companies issuing the contracts and such guarantees are subject to the financial strength and claims paying ability of the issuing companies.
2. This proposal is a projection based on estimates of the pre-tax income produced by the guaranteed income annuity contracts issued by the insurance companies.
3. You have sole responsibility for the accuracy, quality, integrity and appropriateness of the information you provide to us.
4. The Thrive® Income Distribution System (Thrive®) is a proprietary sales proposal system to support the sale of annuity products. Any proposal produced by Thrive, including this proposal, does not constitute an annuity contract or a contract of any kind.
5. If you indicate that all or a portion of any asset is "unavailable", the Thrive® proposal ignores the relevant portion of the asset completely and assumes that it is not to be considered for any purpose by Thrive® including the purchase of annuities or accumulation of assets.
6. This proposal is intended to illustrate a guaranteed pre-tax retirement income stream from annuities which, when adjusted for estimated taxes you may pay on that income, and when added to the after-tax sources of income you indicated, approximately meets the after-tax retirement income need you indicated. If you indicated a pre-tax income need, we assume it is fully taxable. Your actual retirement income needs may be higher or lower than you estimate, and the taxes you pay may be higher or lower than we estimate.
7. While this proposal reflects our understanding of tax regulations, it cannot be relied upon for the purpose of determining IRS or state taxes or avoiding IRS or state penalties. In addition, this proposal is not intended to provide tax, accounting, legal or investment advice. Please seek the assistance of a qualified advisor for all tax, accounting, legal or investment matters.
8. The taxable portion of income payments received before age 59 ½ may be subject to a 10% federally imposed tax penalty.
9. The annuity purchase rates used in this proposal are subject to change by the insurance companies without notice; the annuity purchase rates may also be subject to other underwriting conditions and limitations imposed by the insurance companies.
10. While income from the annuity contracts is guaranteed, the income along with your other sources of income less estimated taxes may not match exactly the year-by-year retirement income need you indicated less estimated taxes. We have assumed, solely for the purpose of the Thrive® algorithm that you have a hypothetical taxable account in which to deposit after-tax income from all sources and from which to withdraw the after-tax income needs you indicated. If the hypothetical account earns the short-term interest rate you indicated, the balance of the account will be approximately $0 after all deposits, withdrawals and estimated taxes on the interest assuming the deposits and withdrawals are made at the start of the month in which they occur. In some cases, the balance of the hypothetical account may also be

negative at certain points in time which implies that for some Thrive® solutions, you may have to pre-fund any differences between your income needs and the income from your sources of income and the annuities for a temporary period of time. In these cases, you could make an appropriate portion of your assets unavailable for consideration by Thrive® or you could liquidate growth assets in sufficient amount to cover the short-fall.

11. We set aside the minimum liquidity percentage of the assets available for transferring to annuities and this amount is not used to purchase guaranteed income; however, in certain circumstances, e.g. Required Minimum Distributions withdrawn from qualified assets, the projected accumulation values may ultimately become lower than the minimum liquidity amount you indicated.
12. The proposal assumes that available non-qualified assets may be used to purchase income annuities and deferred annuities. We assume that the cost basis of any non-qualified asset is equal to the market value of the asset. This may overstate the tax exclusion ratio on non-qualified guaranteed income annuities purchased and the after-tax income may be lower than we assumed. In addition, if the non-qualified asset is not eligible for a tax-free 1035 exchange, you may need to pay taxes on the liquidation of that asset. Those taxes are not taken into account in estimating the after-tax income. Under these circumstances, the estimates used in this proposal may thus understate the amounts needed t o purchase the guaranteed income annuities.
13. We assume that any non-qualified amounts used to purchase guaranteed income annuities are taken proportionally from all available non-qualified assets.
14. We assume that any Roth IRA asset you make available has been held by you for more than five years at the time any Roth IRA assets are used to purchase the guaranteed income annuities. There may be a tax penalty if you take distributions from a Roth IRA before it has been held for five years.
15. Except for the hypothetical taxable account, we assume that all available assets remaining, after the purchase of annuities for guaranteed income, are accumulated at the long-term rate you indicated on a tax-deferred basis. Since the accumulations illustrated in this proposal, except for the hypothetical taxable account, are tax-deferred, you may owe taxes on the excess of those accumulations over the cost basis if those accumulations are liquidated or upon the death of the owner or beneficiary of the assets comprising the accumulations.
16. We assume that required minimum distributions on qualified accounts are taken beginning in January of the year in which you turn 70 ½ from the respective qualified asset, and are accumulated in the hypothetical taxable account after estimated taxes are paid on the distributions.
17. The proposal assumes that taxes are paid on the accumulations in the hypothetical taxable account.
18. Regardless of the actual vehicles in which the accumulations are intended to be funded, the accumulations shown in this proposal are not guaranteed because we assume that neither the short-term rate for the hypothetical taxable account nor the long-term rate is guaranteed. Even if you are able to fund the accumulations in a vehicle or vehicles which guarantee the rates you indicated, you may not rely on this proposal for any indication of accumulation amounts guaranteed, and you may only rely on the contracts and illustrations provided by the company issuing such guaranteed accumulation vehicles.
19. We attribute a "present value" to the annuities which provide guaranteed income in this proposal. This value is a hypothetical value based on the present value of remaining pre-tax guaranteed income payments at a rate equal to the internal rate of return for the annuities. This hypothetical value is not intended to imply that there is a cash value or a lump-sum death benefit available for the guaranteed income annuity contracts, and is not intended to define the amount of death benefits payable under the contracts. Furthermore, if the annuities of different insurance companies are quoted, the contracts may provide different death benefit provisions. We apply the same formula to determine the hypothetical "present value" of all of the annuities quoted even if they are issued by different companies, but this is not intended to

imply that the insurance companies provide the same death benefit or any liquidity provisions under their respective contracts. You may not rely on this proposal for any information or values regarding death benefits or liquidity provisions under any annuity contracts. You may only rely on the contracts and illustrations provided by the insurance companies issuing the contracts.

20. You may not have sufficient available assets to purchase the amount of guaranteed income annuities needed to satisfy your after-tax income need. If you do not have sufficient assets to purchase the income annuities, we begin to reduce the assets in the hypothetical taxable account by the net cash outflows and the hypothetical account may become negative. A negative ending overall asset balance implies that the available assets are also insufficient to meet your after-tax income needs. In such cases, we recommend that you retire later, reduce your income needs, make more assets available, increase your savings, increase your income from other sources such as earned income, reduce your life expectancy age, or all of the above. We make no representation that if you undertook any or all of these steps that you will have sufficient assets to meet your retirement needs.
21. Our projections assume that if you have any available qualified accounts that are not IRAs – common examples include 403b, 457 or 401k – that they have first been rolled over into a qualified IRA account before being used to purchase the guaranteed income annuities or before they are used for growth assets.
22. Amounts you indicate as pre-tax withdrawals are reduced by the effective tax rate you indicated, to determine desired after-tax withdrawals. The after-tax withdrawal

23.

24.

Appendix 4: Contract Illustrations