



CARES™

Comprehensive Annuity Review & Evaluation Service

Prepared For: Valued Relationship
Advisor: Rob Miller, CFP®

OBJECTIVE: INCOME

An annuity with an income objective should be designed to maximize guaranteed income for the owner while balancing secondary objectives like liquidity, account growth, and/or death benefits. Often times the goal is to provide income for multiple lives. A common misconception is that retirement funds cannot provide joint lifetime incomes, however an annuity can provide that benefit.

BENEFICIARY OVERVIEW

An important part of any annuity review process requires the review of the beneficiary information on existing contracts. Many times the beneficiary information needs to be updated or improved. If not audited the annuity assets may not pass on as the owner currently intends, or in the most efficient manner.

PRODUCT INFO

	Current Product:	Benchmark Product:
Carrier	Carrier A	Carrier B
Financial Strength (Star Rating)	2	4
Contract Name	Contract A	Contract B
Mortality, Expense, & Admin Cost (%)	1.65%	1.35%
Rider Name	Rider A	Rider B
Single / Joint	Single	Joint
Rider Cost (%)	0.45%	1.50%
Combined Cost (%)	2.10%	2.85%
Protected Payment Base	\$240,000.00	\$220,000.00
Guaranteed Roll-up (%)	N/A	7.00%
Roll-up Length	N/A	10 Years
Roll-up Type	N/A	Simple
Payment Base Doubling	N/A	Yes
Frequency of Resets	Every 5 Years	Annual
Stacking	N/A	Yes
Withdrawal Band at First Withdrawal	7.00%	4.75%
Worst Case Income at First Withdrawal	\$16,800.00	\$17,765.00

Notes:

Contract A guarantees withdrawals totaling \$240,000 over the life of the contract. The Benchmark Contract has a better financial strength rating and will provide joint lifetime income no less than \$17,765 when income is initiated as planned in 10 years.

The information included in the above table is meant to be a general evaluation of features applicable to the contract and stated objective. The current product information was derived from the submitted client statement and additional resources. The benchmark product and features are not intended to be a recommendation but as a best fit benchmark for comparison based on products available as of the time of this report. The presenting advisor will explain and define the features contained herein and provide additional insight in terms of projected disparities.

Glossary

Financial strength – Is shown via a STAR Ranking™ or Comdex™ ranking as of the stated date on the cover of this Report.

Mortality, expense, & admin cost (%) – (MEA) The cost the insurance company charges for the various risks it assumes (i.e. Annuitant life expectancy, death benefit, contract administration)

Rider – Is an optional feature attached to an annuity, offering additional benefits like guaranteed income (for single or joint lives), death benefit provisions, or account value protection, often at an additional cost.

Combined cost (%) – The sum of MEA and rider costs.

Protected payment base – The dollar amount listed reflects the value that guaranteed income distributions are currently based on, offered by a rider, as of the contract statement provided for this CARES™ analysis.

Guaranteed roll-up (%) – The amount that the protected payment base is guaranteed to grow by when income is not being withdrawn from the contract.

Roll-up length – The duration (in years) in which the guaranteed roll-up is stated to occur.

Roll-up type – Denotes if the guaranteed roll-up % (if applicable), uses compound or simple crediting.

Payment base doubling – Denotes whether the rider contains a contractual guarantee providing a 200% increase of the initial protected payment base after certain requirements are met.

Frequency of resets – The frequency at which the insurance carrier will look at the account value and “reset” the rider features for the benefit of the client, if the account value is higher than the current protected base.

Stacking – The term used to describe whether or not the guaranteed roll-up will work in combination with (or “stack” on top of) any resets. A valuable feature that can leverage positive portfolio performance for the benefit of the rider objective.

Withdrawal band at 1st withdrawal – This is the percentage that is applied to the protected payment base to calculate the allowable income distribution. The timing of the 1st withdrawal is based on data input into the CARES™ Questionnaire.

Worst case income at 1st withdrawal – The calculated income distribution based on contractual guarantees only. (For timing of calculation: see above.)

DISCLOSURES

The principal value and rate of return in a variable annuity will fluctuate due to sub-account allocations and market conditions. Therefore, at any point, the value of the annuity contract may be worth more or less than the owner’s actual investment in the contract.

Guarantees are based on the claims-paying ability of the issuing company. Not all characteristics described will be applicable to every situation or variable annuity. Fees will vary based on features selected and carrier. For more information about a variable annuity, including its product features, risks, charges, and expenses, please read its prospectus. Please consider the charges, risks, expenses, and investment objectives carefully before investing.

Any tax advice contained herein is of a general nature. Further, you should seek specific advice from your tax professional before pursuing any idea contemplated herein.

The evaluation contained herein is not intended to comment on the specific merit of any currently held annuity. Any replacement recommendations that may result from the included data or additional evaluation will require all applicable ValMark new business paperwork including suitability documentation.

The product information presented was derived from client provided statements and third party resources including Morningstar and carrier specific resources. It was gathered and entered in the evaluation report on a best efforts basis in good faith and with the understanding that the information is accurate and complete. It should not replace or supersede the annuity contract or prospectus language.

Star Rankings: STAR Ranking™ - The Strength Tracking and Assessment Report™ (STAR) included as an attachment to your blueprint is a 41-point data analysis of the relative claims paying ability of life insurance companies that maintain a selling agreement with ValMark Securities. The underlying data for the Strength Tracking and Assessment Report™ is updated and reviewed on a quarterly basis and includes insurance statutory financials and ratios, information on availability and cost of capital, financial strength ratings, and relevant market data. The rankings created as a result of the data are not guaranteed and are in no way intended to be a replacement or substitute for the financial strength ratings provided by the Nationally Recognized Statistical Ratings Organizations, AM Best, Standard & Poor’s, Moody’s, and Fitch. The rankings are provided by ValMark Securities as an incidental service to its affiliated insurance professionals to aid in the selection of carriers. The STAR Rankings™ for the life insurance companies referenced in this document may change at any time; therefore, such information is valid only as of the date provided on page one of this document.

Comdex: The Comdex is a composite index or percentile ranking created based on the current financial strength ratings of the major rating agencies. The Comdex indicates on a scale of 1 to 100 (100 being the best) where the company ranks among 1,100 companies that have been rated. In order to receive a Comdex rating, a carrier must have received a rating from at least 2 out of 4 of the major rating agencies.