

Investment Option Comparison

C O M P A R E:	<u>BANK CD'S</u>	<u>MUTUAL FUNDS</u>	<u>VARIABLE ANNUITIES</u>	<u>FIXED ANNUITIES</u>	<u>EQUITY INDEX ANNUITIES</u>	<u>BONDS</u>	<u>STOCKS</u>
<> <i>Is the investment free from market risk?</i>	Yes	No	No	NO RISK	NO RISK	No	No
<> <i>Is the principal guaranteed safe? (1)</i>	Yes	No	No	YES	YES	No	No
<> <i>Is there a guaranteed minimum rate (2)</i>	Yes	No	No	YES	YES	No	No
<> <i>Are there FEES, LOADS and CHARGES</i> With Fixed Annuities, 100% of your money goes to work from day one.	No	YES*	YES*	NO	NO	No	No
<> <i>Is the interest earned each year tax deferred?</i>	No	No	YES	YES	YES	No	No
<> <i>Is the investment exempt for the Tennessee Hall Tax? (3)</i>	YES	No	YES	YES	YES	No	No
<> <i>Does the investment earn triple compound interest each year?</i>	No	No	YES	YES	YES	No	No
<> <i>Are withdrawals permitted? (4)</i>	No	YES	YES	YES	YES	YES	YES
<> <i>Is the investment liquid?</i>	YES	YES	YES	YES	YES	YES	YES
<> <i>Does the investment avoid probate?</i>	No	No	YES	YES	YES	No	No
<> <i>Can the investment <u>reduce</u> the potential Social Security taxes on retirement income during retirement? (5)</i>	No	No	YES	YES	YES	No	No
<> <i>Can the investment be exchanged for a like plan with no taxes due? **</i>	No	No	YES	YES	YES	No	No
<> <i>Is the investment protected from creditors?</i>	No	No	YES	YES	YES	No	No
<> <i>Does the investment provide a guaranteed lifetime monthly income?</i>	No	No	No	YES	YES	No	No

(1) Bank CD's are protected by the FDIC. Annuities are protected by the different State Warranty Associations.

(2) US Saving Bonds have a guaranteed rate of return.

(3) Tennessee bonds are exempt from the Tennessee Hall Tax.

(4) Early withdrawals from annuities may incur a surrender charge, generally, you can withdrawal 10% penalty free.

Ordinary income taxes are on the withdrawals, if under 59 1/2 a 10% tax penalty is also due.

(5) Annuities and US Savings Bonds are the only asset that can grow without being included in the calculation for income as

"Provisional" income for those receiving Social Security benefits in retirement.

* There are annual fees & expenses to Variable Annuities and Mutual Funds

** IRA's can be exchanged with NO taxes due.