

Max I Annuity

The Advantages of Max I Annuity...

■ Small Premiums –

You can start your Max I with as little as a \$5,000 single premium deposit. This modest minimum premium payment provides individuals with an opportunity to begin enjoying the benefits of fixed annuities, without a large up-front commitment of resources.

■ Competitive Interest Rate –

Family Benefit Life Insurance Company has a proud history of paying competitive interest rates. The interest rate you receive at issue is guaranteed for the first five years of your annuity contract. After that, you will benefit from competitive renewal rates based on the current interest rate environment and current market conditions. The Company will declare a new interest rate which is guaranteed for that contract year. In addition, the interest rate is guaranteed to never go below the contractual minimum guaranteed rate!

■ No Market Risk –

Your Max I can provide you with peace of mind, knowing that fluctuations in the stock or bond markets cannot cause you to lose principal. This safety of principal is one feature that makes fixed annuities a valuable addition to many retirement plans.

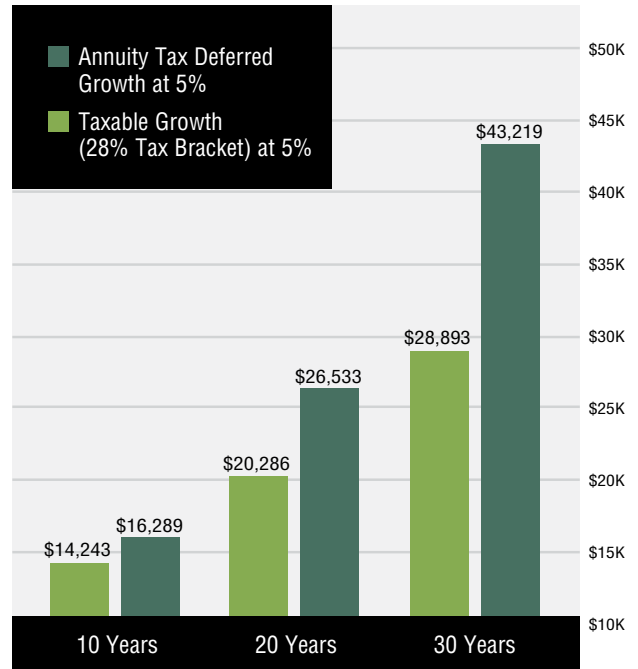
■ Tax Deferred Growth –

Premium payments to your Max I grow tax deferred during the accumulation period, allowing you to earn interest on funds that you would otherwise have paid as taxes. For annuities, lump sum withdrawals or periodic free withdrawals may be subject to federal income taxes equal to the amount of interest withdrawn and may be subject to an additional tax penalty if the owner is under age 59½.

THE FACTS

\$10,000 Premium

- Taxable Growth (28% Tax Bracket) – 5%
- Tax Deferred Growth – 5%



If the entire annuity balance was withdrawn at the end of 10, 20 or 30 years the chart below shows the advantage a tax deferred account can provide compared to a taxable account assuming 5% interest rate and 28% tax bracket:

End of Year	Ending Annuity Balance	After Taxes	Taxable Fund Balance	Advantage of Tax Deferred
10 year	\$16,289	\$14,528	\$14,243	\$285
20 year	\$26,533	\$21,904	\$20,386	\$1,618
30 year	\$43,219	\$33,918	\$28,893	\$5,025

Free Withdrawal Privilege –

If liquidity is a concern, then you may want to take advantage of the 15% free withdrawal feature of the Max I. It offers you penalty-free withdrawals for as much as 15% of your annuity value each contract year. You may take these free withdrawal(s) either as a lump sum or periodic payments.

Interest Income Option –

Your Max I gives you the ability to choose how and when you would like to receive your interest income. Just tell Family Benefit Life Insurance Company how often you would like to receive your interest payment, and where you would like it sent. We provide you this free, personalized service to help make owning a Max I convenient and simple.

Payout Options –

You may elect to receive your annuity value in a lump sum or from one of the many settlement options contained in your contract. Options include life annuity, life annuity with a period certain, payments for a designated period, payments of a specified amount or interest income. Max I allows you to choose which option best suits your needs.

Extended Care Benefit –

Your Max I provides that if, per doctor's orders, you are confined to a hospital or qualifying extended care facility for a period of 30 days or longer, you the owner, may have access to funds in your annuity in excess of the 15% free withdrawal amount without incurring any early withdrawal charge. This benefit is offered to individuals up to age 75 at issue, and may allow you to withdraw the lesser of \$10,000 or 25% of the annuity value.

Small Early Withdrawal Fees –

Because fixed annuities are designed for retirement planning, early withdrawals may incur surrender penalties. The Max I has a short surrender fee period (most annuities carry 7-9 year periods). If anytime during a contract year, you choose to take out more than 15% annual penalty-free withdrawal, the Max I assesses the following surrender fees:

Policy Year:	1	2	3	4	5	6+
Surrender Fee:	7%	6%	5%	4%	3%	0%

Compare the Max I Annuity to a taxable bank Certificate of Deposit

	Max I ¹	CDs
Guaranteed Principal	YES	YES
Access to Funds	YES ²	YES ³
Interest Grows Tax Deferred	YES	NO
Guaranteed Minimum Rate	YES	YES
Extended Care Benefit	YES	NO
Avoids Probate	YES	NO
Tax-Advantaged Income Options	YES	NO
Guaranteed Lifetime Income	YES	NO
May Reduce Income To Lower Social Security Tax	YES	NO

¹ Annuities are insurance contracts and are not guaranteed by any bank, nor insured by the FDIC.

² Early withdrawals are subject to withdrawal fees and, if made prior to age 59½, the taxable amount may be subject to a 10% federal income tax penalty.

³ Penalty-free access during grace periods only.