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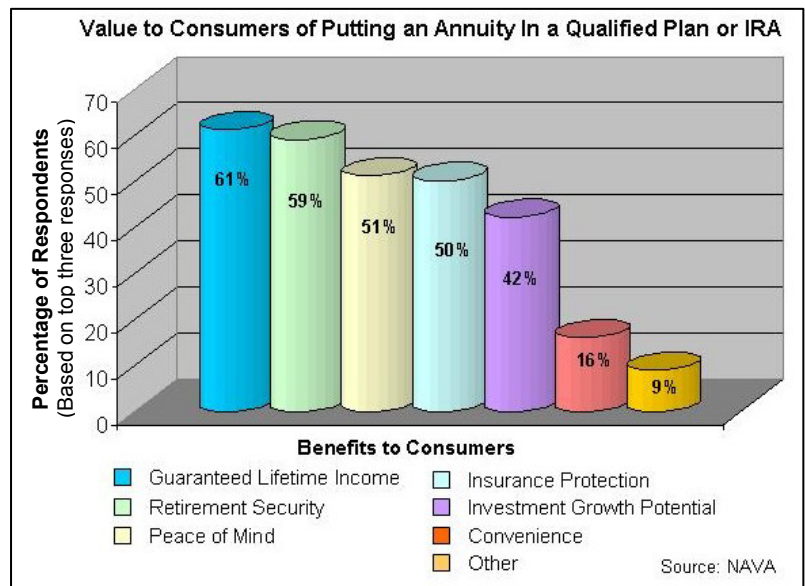
Retirement Security and Income Guarantees – Top Reasons To Hold Annuities in Qualified Plans or IRAs

NAVA Study Underscores the Value Annuities Offer Baby Boomers Faced with the Challenge of Determining How to Best Allocate Retirement Savings

Reston, VA, [March 15, 2006] – As baby boomers approach retirement and begin tapping into their 401(k)s and other qualified plans, many will face the dilemma of how to best utilize and manage these assets. A study¹ released today by the National Association for Variable Annuities (NAVA), provides a new perspective on this challenge by assessing the value annuities provide when held in qualified plans (i.e., 401(k), 403(b), Keogh) or IRAs, or when used to re-invest assets rolled-over from 401(k) plans.

According to the NAVA study, financial advisors feel it is the unique combination of income guarantees and insurance benefits that annuities provide that are driving their clients to include annuities in qualified plans or IRAs.

In terms of the value clients get from putting annuities in qualified plans, “guaranteed lifetime income,” “retirement security,” and “peace of mind” are the top three values.



“Critics frequently question the value of putting an annuity, which offers tax-deferral benefits, in another tax-deferred investment such as a qualified plan or IRA. However, this argument fails to recognize the great value that annuity insurance guarantees can offer,” said Mark Mackey, president and CEO of NAVA. “Annuities offer consumers the option of insuring that the pre-tax dollars they have allocated for retirement are protected against downside market risk. They also offer beneficiary protection in the form of a guaranteed minimum death benefit, and the ability to convert retirement savings into a lifetime stream of income—all of which help ensure that their hard-earned savings will be there when they, or their heirs, need them most.”

Valuable annuity living and death benefits are important features that lead financial advisors to recommend the use of annuities in qualified plans or IRAs to their clients. In fact, 70 percent of survey respondents cited the death benefit and 61 percent listed living benefits among the top three reasons for recommending annuities in qualified plans or IRAs. In addition, 66 percent of respondents named guaranteed lifetime income as one of the top three reasons.

According to the study data, 42 percent of annuities sold by the respondents were placed into qualified plans. For the industry as a whole, approximately 60 percent of all annuity sales in 2004 were in qualified plans, further demonstrating that annuity sales representatives feel confident in the value these products provide. In fact, variable annuities were specifically created and designed for the qualified market, and have been recognized by Congress, the Securities and Exchange Commission (SEC) and the National Association of Securities Dealers (NASD) to be legitimate funding vehicles for qualified plans.

“Because so many people keep the majority of their retirement savings in qualified plans or IRAs, taking advantage of the asset protection annuities offer and the peace of mind they provide may make sense for many Americans,” said Mackey.

About Annuities

An annuity is a retirement investment vehicle offering a combination of insurance benefits, including living and death benefits, tax-deferred savings, and guaranteed lifetime income payments. It can be an ideal financial option for many individuals needing to roll-over 401(k) assets, or as an addition to an existing qualified plan or IRA. Variable annuities give individuals the security and peace of mind to participate in the historically higher returns of the equity markets with the assurance that their investment is protected.

About the National Association for Variable Annuities (NAVA)

NAVA is a non-profit trade association located in suburban Washington, D.C. NAVA provides a variety of services to the industry including educational forums, research, and conferences aimed at furthering the development and understanding of fixed and variable annuities, income annuities, and variable life insurance. NAVA also maintains and supports an educational website for consumers at www.RetireOnYourTerms.com.

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¹ NAVA surveyed nearly 1,000 financial advisors during the fourth quarter, 2005.