

Retirement

PEACE OF MIND



Liberty Bankers[®]

Insurance Group | *For Life*





Building Your Financial Future

Liberty Bankers Insurance Group annuity products, issued by Liberty Bankers Life Insurance Company and Capitol Life Insurance Company, are long-term savings vehicles that can help you prepare for your retirement and manage your money in the future. With the help of an agent, you can learn how annuities can support your financial goals.

LIBERTY BANKERS INSURANCE GROUP FIXED ANNUITIES MAY BE RIGHT FOR YOU.



Annuities provide assurance that your money can grow with fixed rates of interest guaranteed by Liberty Bankers Life Insurance Company and Capitol Life Insurance Company. All LBIG annuities are traditional fixed annuities, which have a guaranteed minimum interest rate.



Annuities are the only financial product that can be designed to provide a guaranteed income stream that will last a lifetime, protecting you against the risk of outliving your assets.



Annuities have tax advantages that allow you to defer paying taxes on your interest earnings until they are withdrawn or distributed.

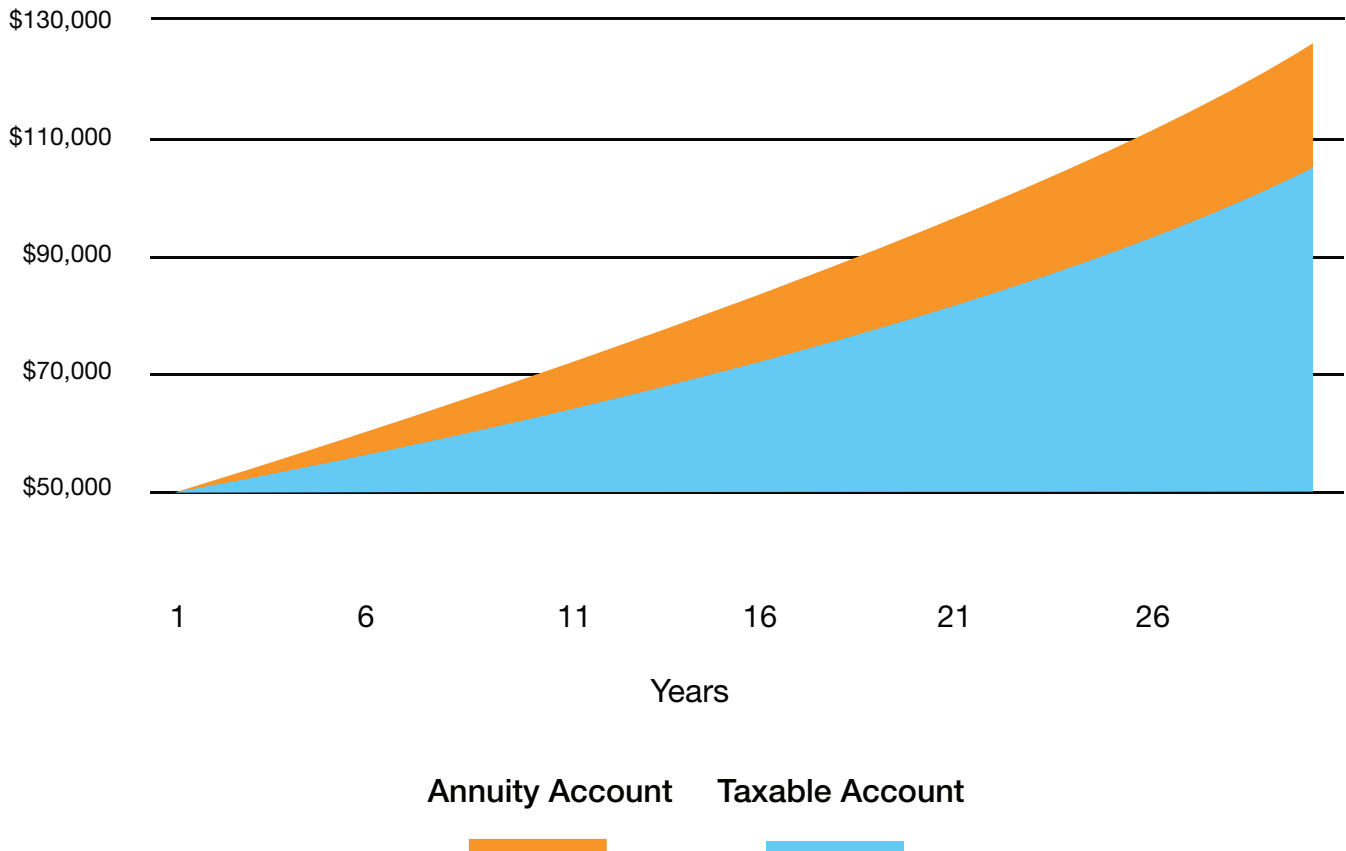


Annuities also enable you to provide for your loved ones in the event of your death.

* Withdrawals of earnings will be subject to income tax and may be subject to a 10% IRS penalty tax if taken prior to age 59 ½. An annuity contract may be purchased on a non-qualified basis or for use within certain qualified retirement plans or arrangements that receive favorable tax treatment. Many of these qualified plans, including Individual Retirement Accounts, provide the same type of tax-deferral as provided by an annuity contract, and the annuity contract does not provide any additional tax-deferral benefit. An annuity contract, however, does provide several other benefits and features not provided by such retirement plans or arrangements alone. You should consult a qualified tax and/or financial professional regarding the use of an annuity contract within a qualified plan or in connection with other employee benefit plans or arrangements.

Tax Deferral Benefit

ACCOUNT BALANCES



This chart demonstrates the impact of tax-deferral with a hypothetical \$50,000 purchase over a 30-year period, earning a constant 3% annual return for both the taxable and tax-deferred annuity purchase and paying 32% income tax on interest earnings.*

Taxes on annuity earnings are deferred until they are withdrawn or distributed. Because you choose the time to make such withdrawals or distributions, you control the timing of when taxes are paid.

At that time, earnings will be taxed as ordinary income and will be subject to a 10% IRS penalty tax if taken prior to age 59 ½.

* The tax treatment of annuities is subject to change. Neither Liberty Bankers Life Insurance Company nor Capitol Life Insurance Company nor its representatives offer legal or tax advice. You should consult your attorney or tax advisor regarding your individual situation. This chart is for demonstration purposes only and should not be viewed as representative of past, current or future performance of an annuity. Demonstrated rates are neither an estimate nor a guarantee for the future. Actual results may be higher or lower. A portion of the earnings from taxable investments may be subject to lower maximum tax rates on capital gains and dividends, which may be lower than the income tax rate used to calculate the results in the chart above. An annuity contract may be purchased on a non-qualified basis or for use within certain qualified retirement plans or arrangements that receive favorable tax treatment, such as Individual Retirement Accounts and individual retirement annuities (IRAs), pension and profit-sharing plans and tax-sheltered annuity plans. Many of these qualified plans, including IRAs, provide the same type of tax-deferral as provided by an annuity contract, and the annuity contract does not provide any additional tax-deferral benefit. An annuity contract, however, does provide several other benefits and features not provided by such retirement plans or arrangements alone. You should consult a qualified tax and/or financial advisor regarding the use of an annuity contract within a qualified plan or in connection with other employee benefit plans or arrangements.

CONSIDERING YOUR FINANCIAL NEEDS

Unsure if an annuity is right for your goals? Our agents are here to help. We recommend that you take the time to discuss your objectives and financial status with your agent before you purchase an annuity. Together, you can determine whether the product fits within your time horizon, liquidity needs, risk tolerance and financial experience. Liberty Bankers Insurance Group annuities are not available in all states and state variations may apply. Please refer to your policy and company approved literature for details on any specific product.

CHANGING VIEW OF RETIREMENT

Retirement planning has changed. Historically, retirees could count on Social Security and company pension plans to provide the bulk of their retirement income. But today, retirees must increasingly rely on their personal savings and investments to fund their retirements. Today, Americans need to take more individual responsibility for funding their retirement, as they also have longer retirements to fund. Given these factors, the need for effective saving and investing has never been greater.

THE POWER OF TAX DEFERRAL

With taxable investments, you are required to pay income taxes on your earnings each year. Those taxes reduce the amount of your investment that is available for continued growth and compounding. Annuities, on the other hand, offer tax-deferred accumulation. Tax deferral can be beneficial because earnings can accumulate on: (a) your principal, (b) earnings on that principal and (c) amounts that would have otherwise been paid in taxes. This can mean greater accumulation for you over time.

Payouts - Your Way

Most annuities provide you with a variety of ways to receive your money without incurring charges.

INTEREST INCOME WITHDRAWALS

Many annuities permit periodic partial withdrawals of the account balance. Some policyholders exercise this option to receive regular checks to supplement their income.

LUMP SUM WITHDRAWALS

After the end of the surrender charge period, your annuity may permit you to withdraw any portion of your account balance without penalty. Some policyholders exercise this option to access larger sums of money.

REGULAR ANNUITY PAYMENTS THAT CAN LAST A LIFETIME

Annuities can also provide regularly scheduled payments that can last a lifetime, similar in concept to payments received from traditional pensions. These payments can be for life (no matter how long), for a specified number of years, or a combination of both.

This benefit is unique to annuities and offers protection from outliving one's assets. It is provided when the value of an annuity contract is converted into a stream of annuity payments, a process is known as "annuitization."

Convert your annuity contract into a stream of payments.



PERIOD CERTAIN

Payments continue for a specific period that you select (ranging from 5 to 30 years). The payments are not based on your life expectancy. If you die before all payments have been made, any remaining payments continue to your beneficiary.



PAYMENTS FOR LIFE

Payments continue for your lifetime but stop when you die. If you die shortly after payments begin, payments stop no matter how much or how little has been paid by the insurance company.



PAYMENTS FOR TWO LIVES

Payments continue as long as either of two annuitants (often spouses) is alive.

ABOUT LIBERTY BANKERS INSURANCE GROUP

Liberty Bankers Insurance Group (LBIG) enjoys an excellent reputation in the industry. AM Best, the nation's most renowned insurance rating agency for the insurance industry, recognizes us among their top-tier of companies and has rated each of our companies "A- Excellent." Our careful and conservative investment strategies have resulted in steady growth and outstanding returns for policyholders like you.

Based in Dallas, Texas, Liberty Bankers Insurance Group is comprised of Liberty Bankers Life Insurance Company (which began operations in 1958), Capitol Life Insurance Company (which began in 1905) and American Benefit Life (established in 1909 and purchased by LBIG in 2002) and operates nationwide.

Our culture promotes prompt, courteous and accurate service, and defines how we work with our customers and with one another - honestly, with dignity and respect. This empowers us to build enduring relationships with our customers.



Important: This publication is intended to be a general concept overview of our fixed annuities. It does not offer or guarantee any specific benefits or product features. For information about our products, please visit with your professional advisor who can help you select the product most suitable for your specific situation. Our multi-year guarantee fixed annuities are issued by Liberty Bankers Life Insurance Company and Capitol Life Insurance Company. They are not Federal Deposit Insurance Corporation/ National Credit Union Share Insurance Fund insured; not a bank/credit union guarantee; not a deposit; and not insured by any Federal government agency.

Liberty Bankers Life/Capitol Life Insurance Company Disclosure. The Company and its authorized representatives cannot offer tax or legal advice. For advice concerning your own situation, please consult with your professional advisor.

Insurance products issued by Liberty Bankers Life Insurance Company and Capitol Life Insurance Company.