

Annuities and GICs

Publication of United States Annuities

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MOST COMPETITIVE RATES FOR

- Immediate and Deferred Annuities
- GICs and Insured Financial Guarantees
- CDs and Treasuries
- Terminal Funding and Variable Annuities
- Structured Settlement Annuities
- Pension Termination Annuities

CALL 1-800-U. S. ANNUITIES TOLLFREE (IN NJ 201-613-0700)

FOR QUOTES FROM AMERICA'S LEADING ANNUITY BROKER

Annuities may be classified according to (1) When benefit payments begin - with income commencing immediately (Immediate Annuities) or with commencement deferred to a later date permitting the premium to accumulate interest or earnings (Deferred Annuities); (2) How premiums are paid - e.g., with one deposit (Single Premium) or in fixed or varying periodic deposits (Flexible Premium); (3) Whether the income amount is fixed at commencement, is adjusted according to changes in the cost of living (COLA) or is dependent on the performance of an underlying equity account (Variable Annuities); and (4) By the number of lives covered under the contract (which may be one or two, or a large group of participants).

IMMEDIATE ANNUITIES

Single Premium Immediate Annuities (SPIAs) are purchased by a single deposit with income usually commencing soon thereafter. In its simplest form -- the Straight Life or Non-Refund annuity -- payments are guaranteed over the lifetime of one person. This form of annuity insures against outliving one's financial resources and is an important instrument in planning for retirement. Given a fixed deposit, the monthly payments that derive from a Straight Life annuity are always greater than those derived from other forms of annuity since with a Life annuity the income stream always ends with the last regular payment preceding the annuitant's death. There are times, however, when other forms of SPIA are better suited for a particular situation, such as (1) when the income needs to be guaranteed over the lifetimes of two or more annuitants (Joint and Survivor); or (2) when a provision is added such that if the annuitant(s) die before the end of a specified period (e.g., 5 or 10 years or more) payments continue to a designated beneficiary until the end of the specified period (Certain Period and Continuous); or (3) when the annuitant dies before the total amount received equals the premium deposit, payments continue to a named beneficiary (Refund). In these situations the monthly income reduces from the Straight Life benefit to pay the added coverage. Also, while this may sound paradoxical, an SPIA may have a deferred commencement. In this case, however, the contract cannot be surrendered for its cash value as is possible with a deferred annuity contract.

The principal advantages of an SPIA are its (1) Simplicity; the annuitant does not have to manage his investments, watch markets, report interest or dividends, or compete against professional investors, (2) Security; the annuity provides stable lifetime income which can never be outlived. Annuities provide unbeatable financial security by guaranteeing income for a specified period no matter what the economic conditions; (3) High Returns; the interest rates used by insurance companies to calculate SPIA income are generally higher than CD or Treasury rates, and since part of the principal is returned with each payment, greater amounts are received than would be provided by interest alone; (4) Preferred Tax Treatment; only the portion attributable to interest represents taxable income; the bulk of the payments are nontaxable return of principal; (5) Avoidance of Probate if life - period certain option is selected; (6) Safety of Principal; funds guaranteed by assets of insurer and not subject to fluctuations or market risks; (7) No sales or administrative charges.

SPIAs can provide guaranteed income in these situations: (1) Retirement from Service; (2) Terminal Funding or Pension Terminations (with deferred commencements, too); (3) Retired Lives Buyouts from Active Plans; (4) Structured Settlements for Personal Injury, Estate, or Divorce cases; (5) Professional Sports Contracting; and (6) Credit Enhancement and Loan Guarantee Transactions.

The following quotations represent single premium amounts required to guarantee \$1000 of monthly income on the annuity forms described below when calculated using sex-distinct rates. These quotes assume first payment is one month after the date of issue and include all fees and commissions but not state premium taxes, if applicable. Call 1-800-U.S.ANNUITIES (in NJ 201-613-0700) for details.

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Reporting Companies (87Best's)	COST OF Date of Quote	MONTHLY INCOME (BASED ON SEX DISTINCT RATES)						
		ISSUE AGES AND FORMS OF ANNUITY						
		Male 65 Life	Male 70 Life	Fem. 65 Life	Fem. 70 Life	10yr PC No Life	M65 F60 J&50%S*	M65 F60 J&100%S*
Ministers L.(A) qnq	05/19	\$ 95,499	\$ 86,289	\$103,135	\$ 95,042	\$ 86,854	\$109,141	\$123,685
West. Unit.(B+)qnq	05/09	\$100,100	\$ 89,286	\$109,290	\$ 99,206	\$ 86,591	na	\$126,422
Transam.L. (A) q	05/16	\$100,704	\$ 90,009	\$109,649	\$100,704	\$ 88,967	\$112,612	\$124,378
Wash. Natl.(A+) qnq	05/13	\$101,851	\$ 91,957	\$110,708	\$101,768	\$ 83,722	\$114,930	\$124,156
Canada Life (A+)qnq	05/20	\$102,152	\$ 92,181	\$110,848	\$101,834	\$ 82,933	\$113,097	\$124,043
Standard L.(A+)qnq	05/19	\$102,245	\$ 91,759	\$111,211	\$102,141	\$ 81,666	\$113,120	\$124,016
Pres. Life (A) qnq	05/16	\$103,950	\$ 93,197	\$112,867	\$103,199	\$ 82,850	\$115,473	\$126,904
Exec.L. Cal (A+)qnq	05/10	\$105,028	\$ 94,567	\$113,755	\$104,473	\$ 82,790	\$116,092	\$127,155
Delta L. (A) qnq	05/10	\$105,179	\$ 93,084	\$115,455	\$105,179	\$ 82,009	\$124,339	\$131,390
Jacksn Ntl. (A+)qnq	05/13	\$106,294	\$ 95,126	\$115,457	\$105,513	\$ 83,932	\$118,035	\$129,783
Kans.City.L.(A+) q	05/09	\$106,370	\$ 94,351	\$106,370	\$ 94,351	na	\$117,059	\$127,814
Am.Mut.L. (A+) qnq	05/19	\$106,495	\$ 94,517	\$116,549	\$105,819	\$ 86,206	na	na
Southwestern(A+)qnq	05/16	\$106,629	\$ 95,368	\$116,352	\$106,393	\$ 83,927	\$115,463	\$130,558
Minn. Mut. (A+) qnq	05/12	\$106,724	\$ 93,897	\$117,786	\$106,724	\$ 94,340	\$120,482	\$134,228
West. Nat'l (A+)qnq	05/11	\$108,075	\$ 96,790	\$117,479	\$107,278	\$ 84,966	\$120,157	\$132,238
Amer.L.& Cas.(A)qnq	05/17	\$108,578	\$ 96,525	\$118,765	\$107,643	\$ 90,171	\$118,203	\$134,953
Life I. S.W.(A+)qnq	05/17	\$108,627	\$ 96,575	\$118,814	\$107,692	\$ 86,034	\$135,002	\$121,852
Lincln.Bnf. (A+)qnq	05/10	\$109,307	\$ 97,507	\$119,153	\$108,455	\$ 86,909	\$121,967	\$134,627
Wash. Sq. (A) qnq	05/09	\$109,370	\$ 98,335	\$120,827	\$109,370	\$ 85,017	\$119,817	\$138,321
N.Y.Life (A+)qnq	05/11	\$109,644	\$ 96,924	\$120,771	\$109,263	na	\$123,434	\$137,226
State Life (A)q	05/24	\$110,041	\$ 99,723	\$119,043	\$110,200	\$ 85,618	\$118,010	\$131,552
FncI.Benf. (NR3)qnq	05/16	\$113,630	\$100,700	\$113,630	\$100,700	\$ 85,170	\$122,850	\$141,040
John Alden (A+) qnq	05/11	\$114,081	\$100,806	\$125,848	\$113,631	\$ 87,912	\$128,924	\$143,767
Amer. Inv. (A) qnq	05/19	\$122,399	\$110,132	\$122,399	\$110,132	\$ 87,796	\$122,850	\$141,044

Source: U. S. Annuities Brokerage Services, Englishtown, NJ, Tel: 1-800-U.S.ANNUITIES (in NJ 201-613-0700).

* J&S annuity reducing on death of Male (primary annuitant) only. qnq= available for qualified and non-qual. funds
q= available only for qualified funds.

DEFERRED ANNUITIES

Deferred Annuities are accumulation contracts providing cash value buildup on a tax-deferred basis until withdrawn. There are three types of deferred annuities: (1) Single Premium Deferred Annuities (SPDAs) which accept a one time investment of principal. Interest is credited on the account at a declared fixed rate which may be guaranteed for periods ranging anywhere from a calendar quarter to as much as ten years but never falls below a minimum or "floor" rate of 4% to 6%; (2) Flexible Premium Deferred Annuities (FPAs) which have all the features of SPDAs with the added flexibility that multiple deposits over the life of the contract are permitted, however, the interest rate guarantees are reduced and the surrender penalties in effect are for longer periods; and (3) Individual Variable Annuities (IVAs) which unlike fixed annuities typically offer a range of funding accounts where investment unit values are subject to fluctuation in response to market conditions.

The IRS recognizes deferred annuities as a means of providing retirement income, and has conferred tax-favored status to them with the understanding that no withdrawals are made before age 59-1/2. If an early withdrawal is necessary, the full amount representing interest income is taxed at the normal rate and subject to a 10% surcharge. This penalty does not apply, for example, when the proceeds are used to purchase an immediate annuity (see SPIA above) making payments for life or for at least five years.

Some of the features which make SPDAs attractive over competing investments are: (1) Guaranteed principal Plus interest at competitive rates; (2) Tax-deferred accumulation which allows the annuity holder to earn interest on money he would otherwise have been obliged to pay in taxes; (3) Guaranteed Income for life if so desired or lump sum return of principal plus interest taxed at distribution; (4) No sales charges or front-end loads, 100% of deposit earns interest; (5) No administrative, management or supervision worries; (6) Probate avoidance and some relief from estate taxation if properly arranged.

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The cash accumulation figures presented below are based on a single premium deposit of \$100,000 in qualified funds by a 45 year old male who annuitizes his contract on a Life Only monthly income after 20 years (age 65). Quotes include all fees and commissions but not state premium taxes, if applicable. Call 1-800-U.S.ANNUITIES (in NJ 201-613-0700) for details.

Reporting Companies (87Best's)	Date of Quote	Policy Name	Initial Credited Rate	Yield Guarantee Period	Bail-out Escape Rate	Surrender Fees			20 Yr Cash Accum Curr Rate	Mo Life Income Curr Rate
						Year 1	Year 4	Year 7		
Amer. Invest.(A)qnq	05/19	SPDA-I	9.50%	1/14/90	7.00%	10%	7%	4%	\$614,161	\$5,018
John Alden (A+)qnq	05/11	All Purpose	9.00%	Cal. Yr.	na	9%	7%	4%	\$560,441	\$4,912
Golden Rule (A) qnq	05/11	SPDAII W.B.	9.00%	1 Year	na	8%	4%	1%	\$560,441	\$4,853
West.Unit. L.(B+)qnq	05/09	Unimax II	8.80%	1 Year	na	5%	5%	4%	\$540,229	\$5,397
FncI.Benf. (NR3) qnq	05/16	SPDA XIII	8.75%	1 Year	8.75%	7%	4%	1%	\$535,285	\$4,710
Jackson Natl (A+)qnq	05/13	MAX Plan	8.75%	na	na	6%	3%	0%	\$535,285	\$5,138
Wash. Natl.(A+) qnq	05/13	WN Plan II	8.75%	1/15/89	na	6%	6%	0%	\$535,285	\$5,469
Am. Mut. L. (A+) qnq	05/19	Accum. 588	8.75%	1 Year	7.25%	6%	3%	0%	\$535,285	\$5,154
Minister.Life (A)qnq	05/19	SPDA	8.65%	none	none	7%	4%	0%	\$525,526	\$5,465
Pres. Life (A) qnq	05/16	SPDA I	8.60%	5/31/89	6.60%	7%	4%	1%	\$520,710	\$5,009
Life S.W. (A+) qnq	05/17	BASE I	8.50%	1 Year	0.50%	5%	5%	0%	\$511,205	\$4,270
Minn.Mutual(A+) qnq	05/12	SPDA	8.50%	2 Years	na	5.4%	3.6%	1.8%	\$511,205	\$4,339
Exec. Life (A+) qnq	05/11	Safe AnnII	8.50%	1 Year	7.75%	5%	2%	0%	\$511,204	\$4,878
Transamerica (A) q	05/16	RET. BLD.	8.40%	Cal.Yr.	1.00%	8%	5%	2%	\$501,863	\$4,294
Western Natl (A+)qnq	05/11	SPDA Plus	8.35%	1 Year	na	5%	5%	0%	\$497,254	\$4,386
Wash. Square (A)qnq	05/19	WS 2 yr.	8.25%	2 Years	7.25%	7%	4%	1%	\$488,155	\$4,650
Standard Ins (A+)qnq	05/19	Flex Prem	8.25%	none	5.75%	7%	6%	3%	\$488,155	\$4,930
Lincoln Benf (A+)qnq	05/10	The One	8.25%	3 Years	na	7%	4%	1%	\$488,155	\$4,652
Kansas C. L. (A+)qnq	05/09	SPDA	8.25%	3 Years	6.50	7%	6%	2%	\$488,155	\$4,593
Amer.L. & Cas.(A)qnq	05/17	Guar. II	8.15%	1 Year	6.00%	7%	4%	1%	\$479,216	\$4,413
Equitable (A) qnq	05/13	Evliplan II	8.00%	1 Year	none	6%	4%	1%	\$466,096	\$4,325
N.Y. Life (A+) qnq	05/11	SPRA	8.00%	1 Year	3.00%	7%	4%	1%	\$466,096	\$4,257
Delta Life (A) qnq	05/10	SP Pref Ann	7.95%	1 Year	4.00%	6%	6%	3%	\$464,190	\$4,265
Southwestern(A+) q	05/16	Liberty 5	7.70%	5 Years	na	5%	4%	2%	\$440,874	\$3,972

Source: U. S. Annuities Brokerage Services, Englishtown, NJ, Tel: 1-800-U.S.ANNUITIES (in NJ 201-613-0700).

qnq= available for qualified and non-qual. funds. q= available only for qualified funds.

YIELD GUARANTEE PERIOD: Length of time for which initial credited rate is guaranteed.

BAIL-OUT/ESCAPE RATE: A rate below which if declared all funds may be withdrawn without surrender penalties.

SURRENDER PENALTIES PER YEAR: A schedule of company imposed charges for annual withdrawals in excess of the permitted free annual withdrawal corridor (usually 10% of the accumulated cash value).

GICs & INSURED FINANCIAL GUARANTEES

GICs (Guaranteed Interest or Investment Contracts) and GFAs (Guaranteed Funding Agreements) are an integral part of many qualified and non-qualified plan's investment portfolios. They provide the highest rates of return and lowest market volatility of any fixed-income asset. GICs are backed by the general account assets of the insurance companies who in turn employ immunization strategies to match the duration of their assets with their GIC/GFA obligations.

While each GIC/GFA contract is negotiated individually to meet the specific needs of the buyer, the following brief description covers nearly all the different types of GICs currently in use: (1) Bullet Deposit contracts effectively compete with CDs of similar durations. Bullets provide a current interest rate guarantee on a one-time deposit for a specified maturity period (1 to 10 years). (2) Window or Flexible or Recurring Deposit contracts are similar to bullets except they provide a current interest rate guarantee which covers all deposits received over a 12-month period. These instruments are attractive for employee contributions in 401K plans. (3) Benefit Responsive contracts provide interest accumulation (as with "bullets") and scheduled or non-scheduled withdrawals to meet a plan's or contractholder's cash flow needs. Funds can be paid out at book value to cover retirement or separation from employment costs for qualified plans or loan or bond interest payments in credit enhancement, municipal-funding or venture capital applications.

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Applications: GICs and GFAs have many qualified and non-qualified applications including: (1) Defined Benefit and Defined Contribution - 401K plans. (2) 501(c) tax-exempt organizations, VEBA plans, and non-qualified Deferred Comp plans. (3) Educational Endowments, Foundation and Charitable Trusts. (4) Asset diversification programs. (5) Taft-Hartley Fiduciary Management Trusts. (6) Group Legal Service funds. (7) Retired Life Reserves or Premium Stabilization funds for health and welfare plans.

The following rates are for Bullet GICS in qualified plan situations and are quoted net of expenses and with no commissions. Call 1-800-U.S.ANNUITIES (in NJ 201-613-0700) for rates on Window and Benefit Responsive GICS.

Reporting Companies (87Best's)	Date of Quote	\$100,000 Deposit				\$1,000,000 Deposit				\$5,000,000 Deposit			
		Compound		Simple		Compound		Simple		Compound		Simple	
		3 Yr	7 Yr	3 Yr	7 Yr	3 Yr	7 Yr	3 Yr	7 Yr	3 Yr	7 Yr	3 Yr	7 Yr
New York L.(A+)	05/16	8.35%	8.80%	8.40%	8.85%	8.55%	9.00%	8.60%	8.95%	8.55%	9.00%	8.60%	8.95%
Hartford (A+)	05/16	8.32%	9.00%	8.32%	9.00%	8.57%	9.25%	8.57%	9.25%	8.57%	9.25%	8.57%	9.25%
Minn Mut.L.(A+)	05/18	8.30%	na	8.37%	na	8.49%	na	8.59%	na	8.50%	na	8.60%	na
Transam. (A)	05/16	8.17%	na	7.87%	8.91%	8.52%	na	8.22%	9.26%	8.34%	na	8.32%	9.32%
Confed. (A+)	05/16	8.14%	9.12%	8.19%	9.17%	8.39%	9.32%	8.44%	9.37%	8.49%	9.37%	8.54%	9.42%
Exec.L. Cal(A+)	05/16	-	-	-	-	8.18%	9.25%	8.18%	9.40%	8.22%	9.27%	8.22%	9.42%
Manufactur.(A+)	05/09	8.02%	9.11%	7.95%	9.22%	8.09%	9.18%	8.02%	9.29%	8.19%	9.25%	8.14%	9.38%
Southwest.(A+) nq	05/16	7.83%	8.73%	7.97%	9.08%	8.30%	9.34%	8.30%	9.34%	8.30%	9.34%	8.30%	9.34%
Canada Life(A+)	05/20	7.51%	-	7.56%	8.70%	8.58%	-	8.63%	9.25%	8.68%	-	8.73%	9.31%
Life/GA. (A+)	05/16	-	-	-	-	-	9.09%	-	9.09%	-	9.14%	-	9.14%
Jack.Natl.(A+) nq	05/13	na	na	na	na	na	na	na	na	8.25%	8.75%	8.15%	8.65%

Source: U. S. Annuities Brokerage Services, Englishtown, NJ, Tel: 1-800-U.S.ANNUITIES (in NJ 201-613-0700). nq= available for non-qualified deposits, too, however, credited rates may differ from those shown above.

CDs & TREASURIES (Rates as of 5/18/88)

The following table illustrates the highest national CD yields available published by the institutions themselves. In general, these thrift or bank accounts are insured up to \$100,000 per person by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC). Annuities and GICs does not evaluate the financial conditions of the institutions offering such high yields. The Treasury rates listed below are current market yields published in Investor's Daily.

Term	Institution	Location	Phone	Stated Yield	Compnd Mthd	Ann Eff Yield	Avrg Ann Yield
6-Mos.	Peoples S&L U. S. Government	Llano, TX	(800) 362-9175	7.63%	CD	8.04%	na
		na	na	7.08%	na		
1-Yr.	Peoples S&L U. S. Government	Llano, TX	(800) 362-9175	7.88%	CD	8.31%	na
		na	na	7.33%	na		
2-1/2 Yrs.	Atlantic B&T U. S. Government	Boston, MA	(800) 727-2223	8.40%	CM	8.73%	9.31%
		na	na	7.87%	na		
5-Yrs.	Atlantic B&T U. S. Government	Boston, MA	(800) 727-2223	9.00%	CM	9.38%	11.31%
		na	na	8.42%	na		

Sources: 100 Highest Yields (for CDs); Investor's Daily (for Treasuries). na= information not available
Compounding Abbreviations - CC=continuously, CD=daily, CQ=quarterly, CM=monthly, CA=annually, SI=simple interest.
Average Annual Yield is the average yield per year over the life of the investment assuming principal and interest on deposit until maturity.

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TERMINAL FUNDING & GROUP ANNUITIES

Terminal Funding Annuities (TFAs), sometimes called Non-Par Buyout or Guaranteed Deferred Benefit Annuities are custom contracts which cover the accrued benefit liabilities of terminating or ongoing pensions. They may be used to guarantee future benefits for a separating or retiring individual or group of plan participants. When applied to the purchase of a group of participants' benefits (as in Single Premium Non-Par Group Buyout Contracts: SPGAs) the underlying rates used by the insurance companies are a blend of various maturities matching the projected cash flow of the future benefits. Premiums depend on the types of plan provisions included in the contract, such as the early retirement subsidies, unreduced disability benefits, or pre-retirement death benefits, as well as participant characteristics such as age, sex, or the ratio of immediate to deferred benefits. Not surprisingly, price leadership among insurers' changes throughout the year as each insurer's profits and premium objectives develops, and even with respect to the same plan, at any time competing quotes may vary by as much as 30%. United States Annuities Brokerage Services can assist you in the purchase of group annuities for terminating or ongoing plans. Our work entails the following steps:

- (1) Meetings with plan actuaries and corporate decision makers to develop a contract implementation schedule.
- (2) Developing plan specifications for presentation to the major insurance companies. By properly communicating plan needs, risk premiums and costs are reduced.
- (3) Reviewing competitive bid proposals for completeness, refining the best offers and organizing final bidding procedures and transfer of funds.
- (4) Auditing final changes in data and costs, final contracts and participant certificates. Continuing to represent the plan vis a vis the insurer in all subsequent inquiries.

Our combination of specialized marketing expertise and unique annuity-tracking database make us your best source for group terminal funding contracts. Call 1-800-U.S.ANNUITIES for further details.

The following table of individual annuity costs illustrates the premium required to guarantee \$1000 of monthly life income if purchased by qualified plan for a participant at the stated ages listed below and with the first payment deferred to age 65. These contracts offer no cash surrender values ("non-par"). The deferred income amounts are contractually guaranteed. In general, these contracts offer a minimum REA death benefit and permit early commencement with reduced benefits.

Reporting Companies (87Best's)	Quote Date	I	S	S	U	E	A	G	E	S
		Male 30	Male 40	Male 50	Male 60	Fem. 30	Fem. 40	Fem. 50	Fem. 60	
Delta Life (A)nq	05/10	\$ 8,378	\$ 14,978	\$ 30,280	\$ 69,385	\$ 12,465	\$ 14,978	\$ 30,280	\$ 69,385	
Wash. Natl(A+nq)	05/13	\$ 34,181	\$ 50,597	\$ 74,896	\$ 110,864	\$ 39,991	\$ 59,197	\$ 87,626	\$ 129,707	

Source: U. S. Annuities Brokerage Services, Englishtown, NJ, Tel: 1-800-U.S.ANNUITIES (in NJ 201-613-0700)
nq= available for non-qualified deposits, too, however, credited rates may differ from those shown above.

STRUCTURED SETTLEMENT ANNUITIES

Periodic payment annuities, commonly known as structured settlements, are a popular means of providing compensation to personal injury and tort victims that offer significant advantages to all parties concerned. The greatest benefits accrue to the plaintiff since the IRS code excludes from gross income any damages he receives through such a settlement annuity on account of personal injuries or sickness, as long as the method of funding the settlement is not a part of the agreement, and that the annuity is not obtained at the election of the plaintiff, as that might constitute constructive receipt. Additionally, the inherent flexibility of annuities provides life-long financial security for the plaintiff, lower costs to the insurance company or defendant who pays the damages, and tax benefits to plaintiff attorneys by allowing receipt of fees over an extended period of time.

Settlement schedules take different forms. They commonly include an initial lump-sum payment to cover attorney's fees, medical expenses, pain and suffering, loss of income, and so forth; monthly payments continuing for plaintiff's life which may also include a cost of living adjustment; and decennial lump-sum payments. Additional elements can provide education endowments for plaintiff's children, reversionary medical trusts, term insurance to cover cost of plaintiff's burial or to care for plaintiff if other family members predecease him, or lump sum payments to family members if plaintiff is no longer living after a stipulated fixed period.

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The following quotations represent the total premium amount required to guarantee \$1000 of monthly life income, assuming a 0% or 3% per annum cost of living adjustment (COLA). Quotes assume (1) normal life expectancy (ie., plaintiff's injury is not life impairing) and (2) cost of any third-party assignment is extra and (3) that the first payment date is one month after the date of issue. All fees and commissions but not state premium taxes, if applicable, are included. Call 1-800-U.S.ANNUITIES (in NJ 201-613-0700) for details.

Reporting Companies (87Best's)	Date of Quote	COST OF \$1000 MONTHLY INCOME (with X% COLA) ISSUE AGES AND FORMS OF ANNUITY							
		Male 15	Male 50	Male 15	Male 50	Fem. 15	Fem. 50	Fem. 15	Fem. 50
		0% COLA	0% COLA	3% COLA	3% COLA	0% COLA	0% COLA	3% COLA	3% COLA
Pres. L. (A)	05/16	\$131,114	\$109,937	\$190,069	\$140,425	\$133,324	\$117,937	\$196,819	\$155,259
Standard (A+)	05/19	\$136,884	\$119,776	\$206,248	\$157,204	\$138,115	\$125,157	\$211,713	\$167,774
N.Y. Life (A+)	05/11	\$138,208	\$116,698	\$206,388	\$150,946	\$140,136	\$124,624	\$213,167	\$166,429
Jacks.Nl. (A+)	05/13	\$143,311	\$128,127	\$212,114	\$173,260	\$144,134	\$133,583	\$214,842	\$184,412
Exec. L. (A+)	05/10	\$142,145	\$117,397	\$215,391	\$152,099	\$143,983	\$126,858	\$223,393	\$169,826

Source: U. S. Annuities Brokerage Services, Englishtown, NJ, Tel: 1-800-U.S.ANNUITIES (in NJ 201-613-0700)

VARIABLE ANNUITIES

Variable Annuities (VAs) resemble mutual funds with their menu of stocks, bonds, short-term and guaranteed rate options with unit values subject to market fluctuations. (Fixed annuities only offer the guaranteed interest rate accounts - see section on SPDAs). VAs transfer most of the investment risks and opportunities from the insurer to the policyholder and are considered securities for licensing and disclosure. VAs generally accept qualified and after-tax deposits and like SPDAs, earnings compound tax-free until distribution (mutual funds pay taxes each year on income and capital gains). The owner of a VA may direct his plan investment strategy by transferring or "switching" the funds (usually by phone) among the various accounts. Many VAs also permit loans against accumulations and provide the following guarantee not available in a mutual fund: Should the investor die before distribution, his beneficiary receives at least his initial investment in the VA.

Advantages: VAs offer these benefits: (1) Investment flexibility; since emphasis can be shifted to stocks, bonds, or fixed accounts as markets change. (2) Competitive guaranteed interest rates. (3) Guaranteed safety of principal (Fixed Accounts). (4) Guaranteed death benefits. (5) Ability to switch investment without charge, brokerage commissions, or tax implications. (6) Tax-deferred accumulation. (7) Access to money through loans or withdrawals. (8) A choice of annuity options including guaranteed life income. (9) Estate benefits.

The following table shows the ten best performing VA funds on a calendar-year and 12-month year-to-date bases (latest data available) thru Jan. 1988. The data reflect the change in net asset value including the benefit of the total reinvestment of all income dividends and capital gains distributions at net asset value on the fund's ex-dividend date. Reinvestment of distributions at market value below net asset value produces higher returns than shown. Sources: Lipper Analytical Services; National Underwriter.

Reporting Cos. Policy Names	12/31/87- 03/31/88 % Change	03/31/87- 03/31/88 % Change	Reporting Cos. Policy Names	12/31/87- 03/31/88 % Change	03/31/87- 03/31/88 % Change
Monarch/Mrl Nat Res	- 0.66%	*	Fidelity VA Overseas	+ 3.41%	- 7.52%
ICAP Natural Resources	+ 7.44%	*	Nationwide VA II FOP Q	+ 3.30%	*
Manulife Emerging Growth	+10.45%	-21.92%	Nationwide VA II FOP NQ	+ 3.30%	*
ICAP Foreign Securities	+10.81%	- 8.77%	PaineWebber Adv GI Gr	+ 5.22%	*
Monarch/Fidelity Overseas	+ 3.37%	- 7.18%	Monarch/Opp Growth Fund	+ 9.73%	- 4.33%

* Fund not in existence for period covered. Source: Lipper Analytical Services.

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