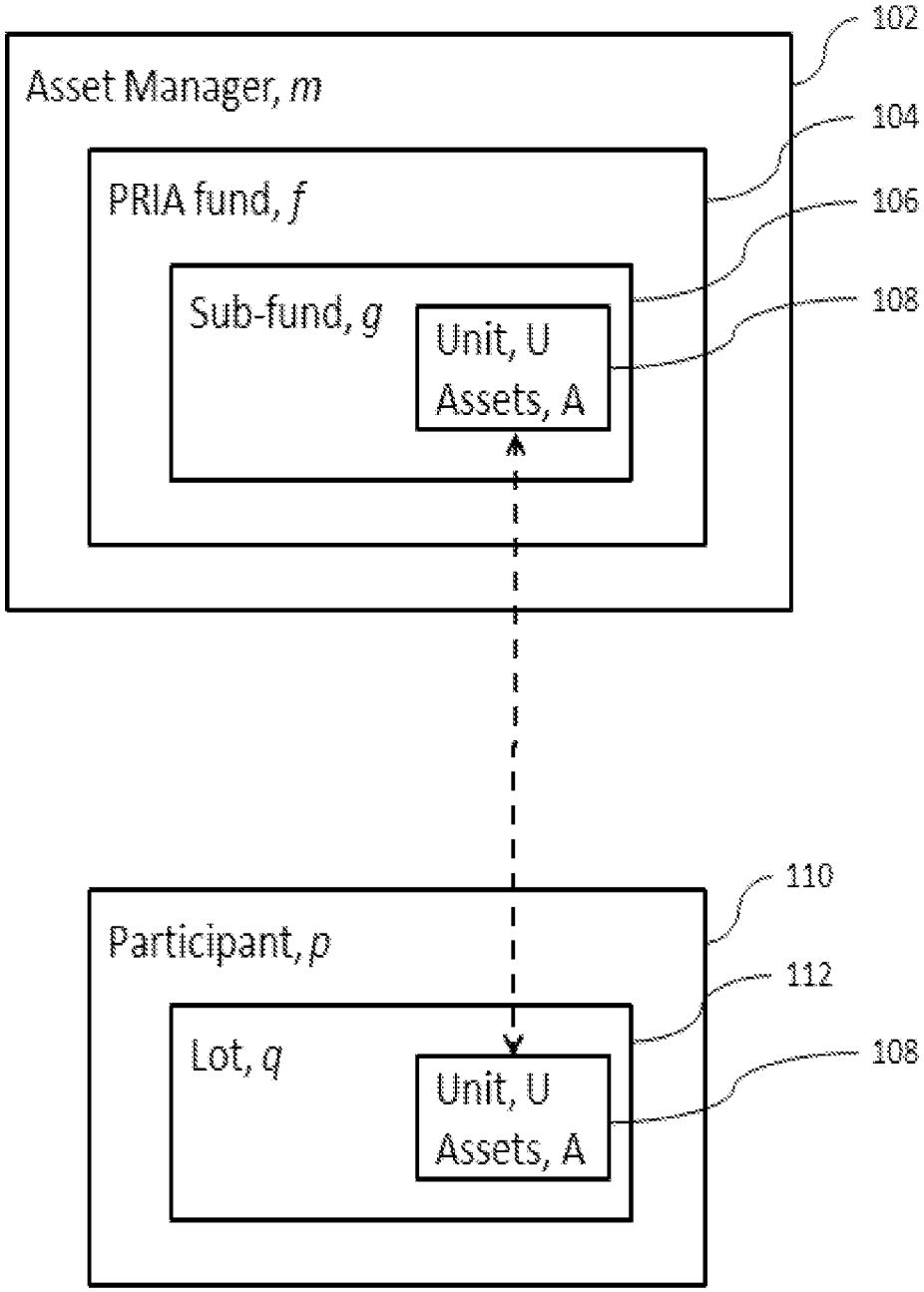

Asset Manager, m
PRIA fund, f
Sub-fund, g
Unit, U
Assets, A
Participant, p
Lot, q
Unit, U
Assets, A
102
104
106
108
110
112
108

FIG. 1

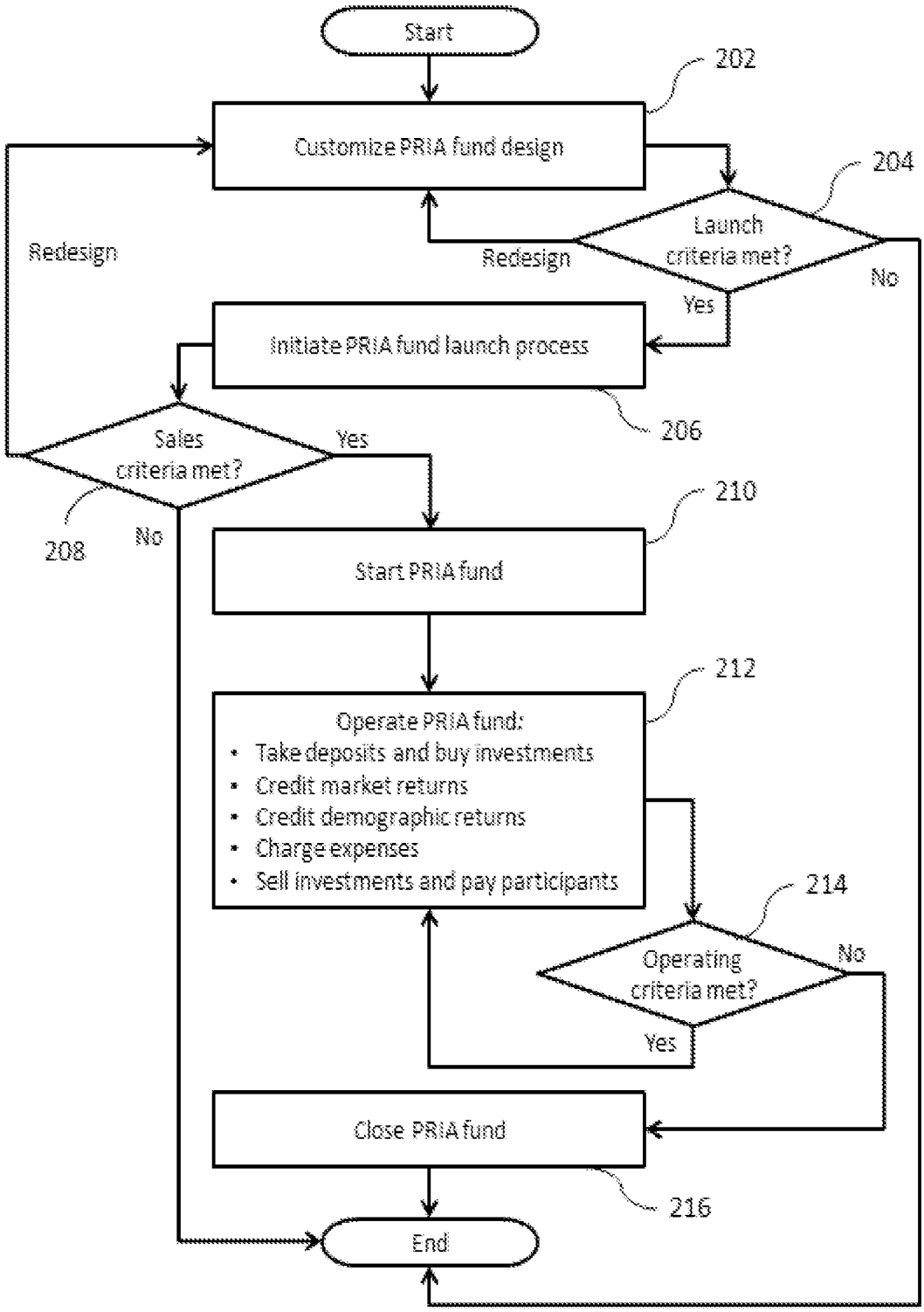

Start
202
Customize PRIA fund design
204
Launch criteria met?
Redesign
Redesign
No
Yes
Initiate PRIA fund launch process
206
Sales criteria met?
Yes
208
No
210
Start PRIA fund
212
Operate PRIA fund:
• Take deposits and buy investments
• Credit market returns
• Credit demographic returns
• Charge expenses
• Sell investments and pay participants
214
Operating criteria met?
No
Yes
Close PRIA fund
216
End

FIG. 2

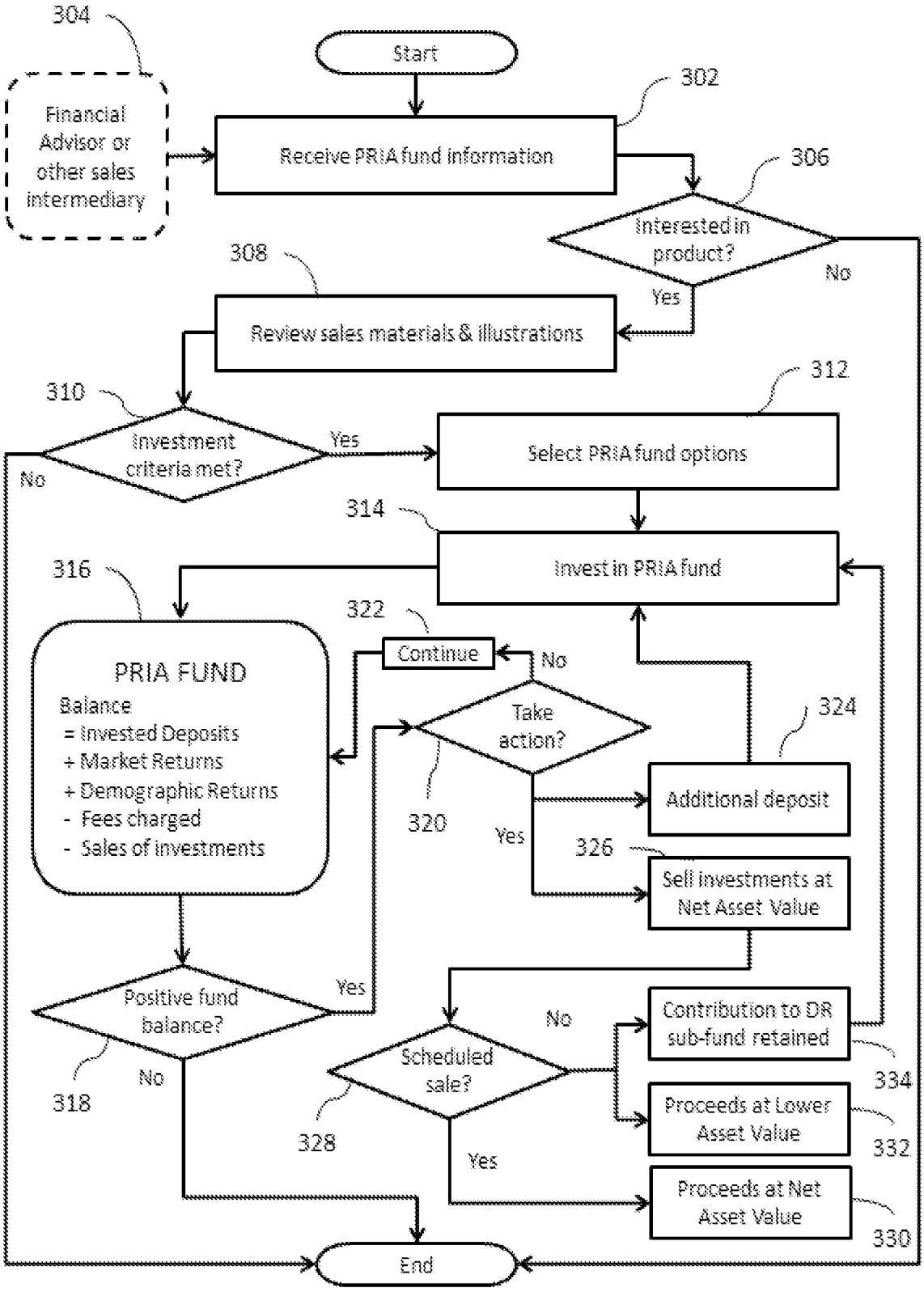

304
Start
Financial Advisor or other sales intermediary
302
Receive PRIA fund information
306
Interested in product?
No
Yes
308
Review sales materials & illustrations
310
Investment criteria met?
Yes
No
312
Select PRIA fund options
314
Invest in PRIA fund
316
PRIA FUND
Balance
= Invested Deposits
+ Market Returns
+ Demographic Returns
- Fees charged
- Sales of investments
322
Continue
No
Take action?
320
Yes
324
Additional deposit
326
Sell investments at Net Asset Value
Positive fund balance?
Yes
No
318
Scheduled sale?
328
No
Yes
Contribution to DR sub-fund retained
334
Proceeds at Lower Asset Value
332
Proceeds at Net Asset Value
330
End

FIG. 3

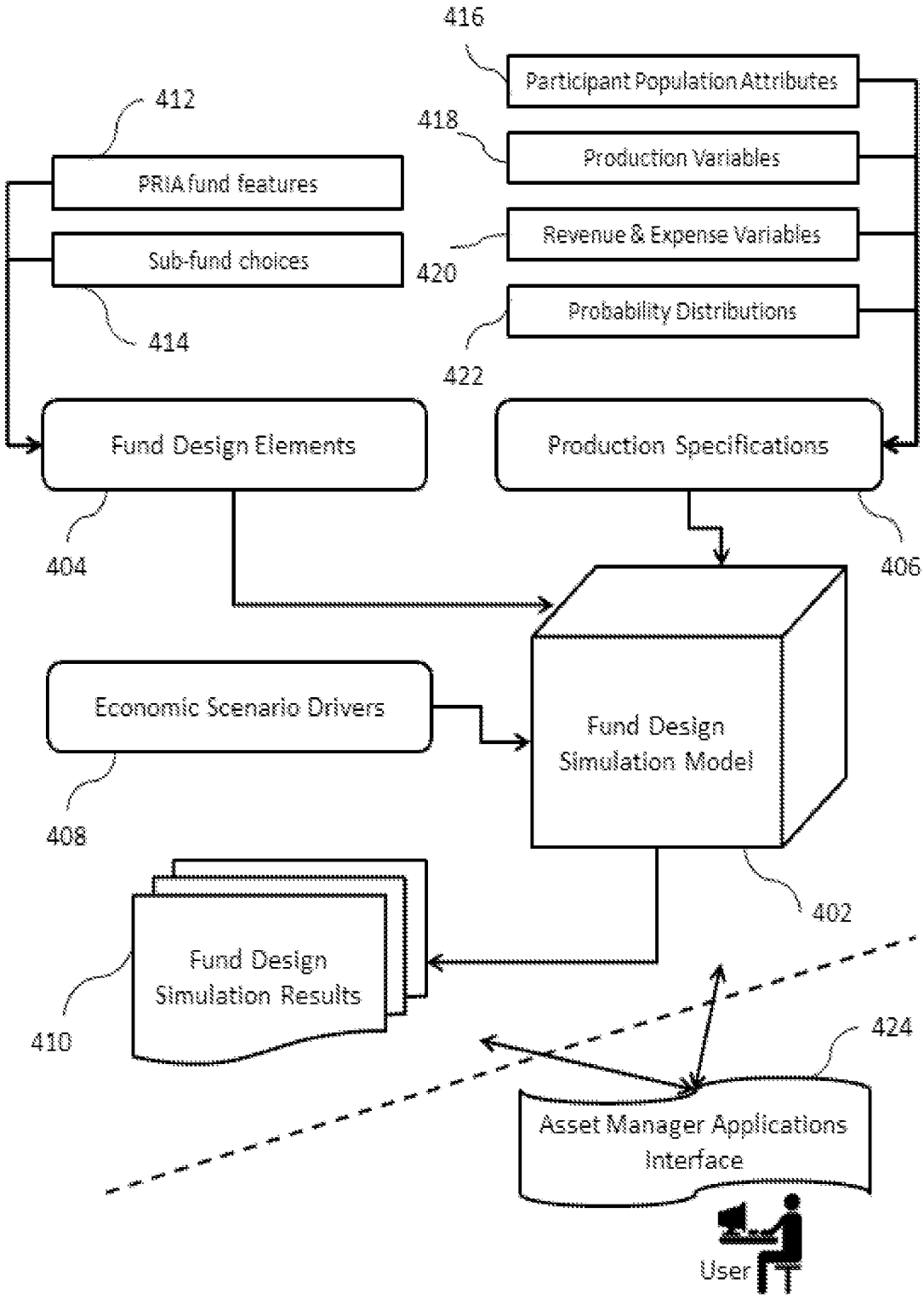

416
Participant Population Attributes
412
418
PRIA fund features
Production Variables
Revenue & Expense Variables
Sub-fund choices
420
414
Probability Distributions
422
Fund Design Elements
Production Specifications
404
406
Economic Scenario Drivers
Fund Design Simulation Model
408
402
Fund Design Simulation Results
410
424
Asset Manager Applications Interface
User

FIG. 4

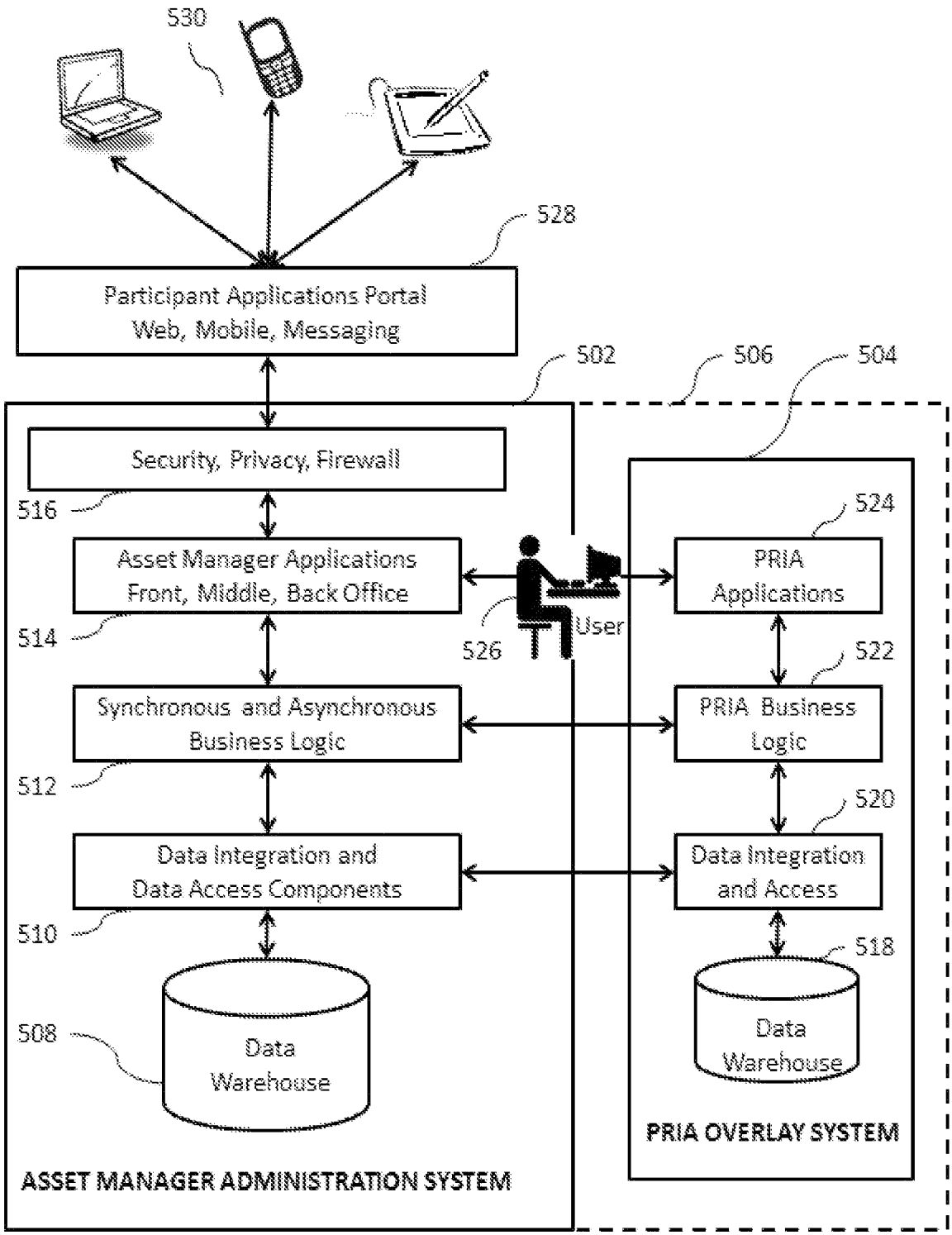

530
528
Participant Applications Portal
Web, Mobile, Messaging
502
506
504
Security, Privacy, Firewall
516
Asset Manager Applications
Front, Middle, Back Office
514
526
User
524
PRIA
Applications
522
Synchronous and Asynchronous
Business Logic
512
PRIA Business
Logic
520
Data Integration and
Data Access Components
510
Data Integration
and Access
518
508
Data
Warehouse
Data
Warehouse
ASSET MANAGER ADMINISTRATION SYSTEM
PRIA OVERLAY SYSTEM

FIG. 5

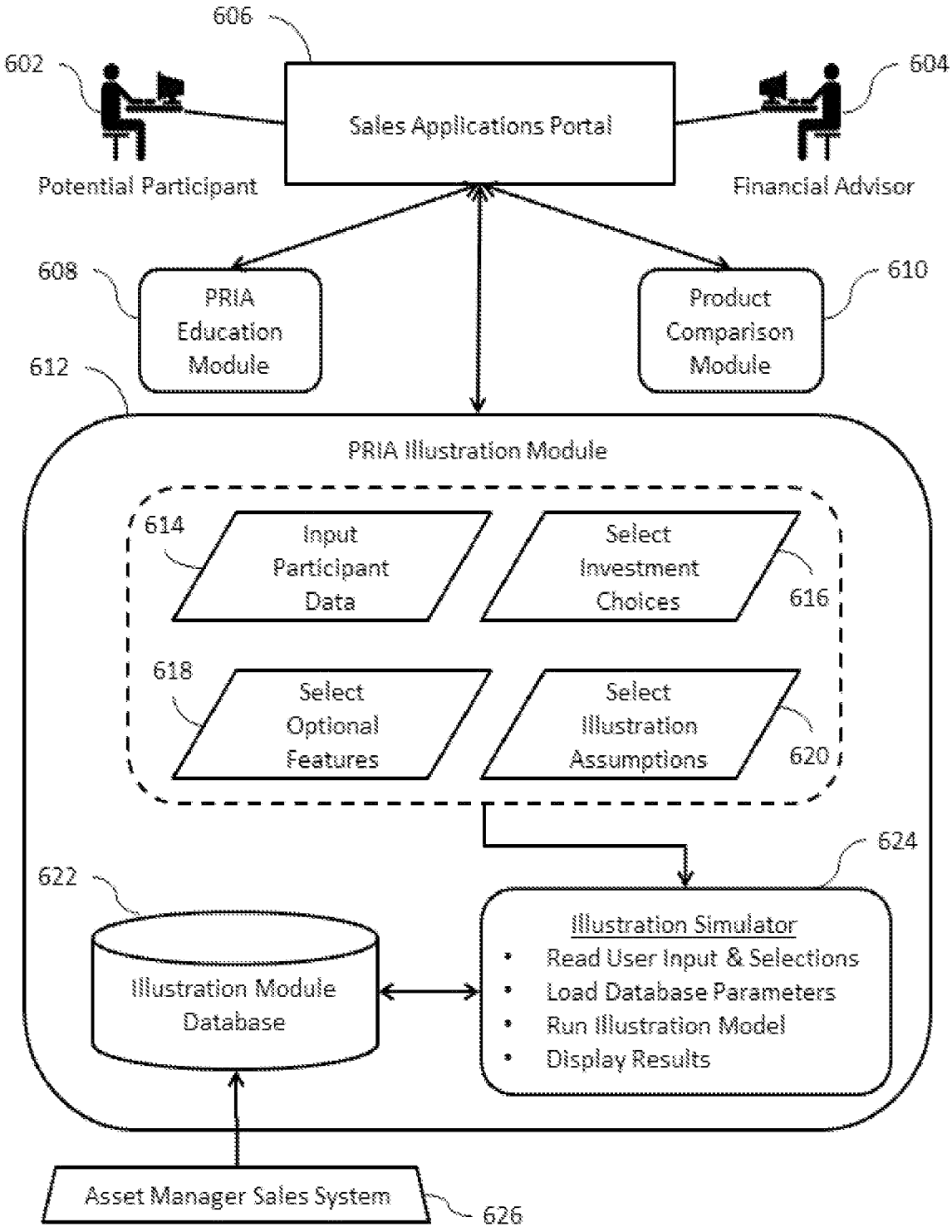

606
602
604
Sales Applications Portal
Potential Participant
Financial Advisor
608
PRIA Education Module
610
Product Comparison Module
612
PRIA Illustration Module
614
Input Participant Data
Select Investment Choices
616
618
Select Optional Features
Select Illustration Assumptions
620
624
622
Illustration Simulator
Read User Input & Selections
Load Database Parameters
Run Illustration Model
Display Results
Illustration Module Database
Asset Manager Sales System
626

FIG. 6

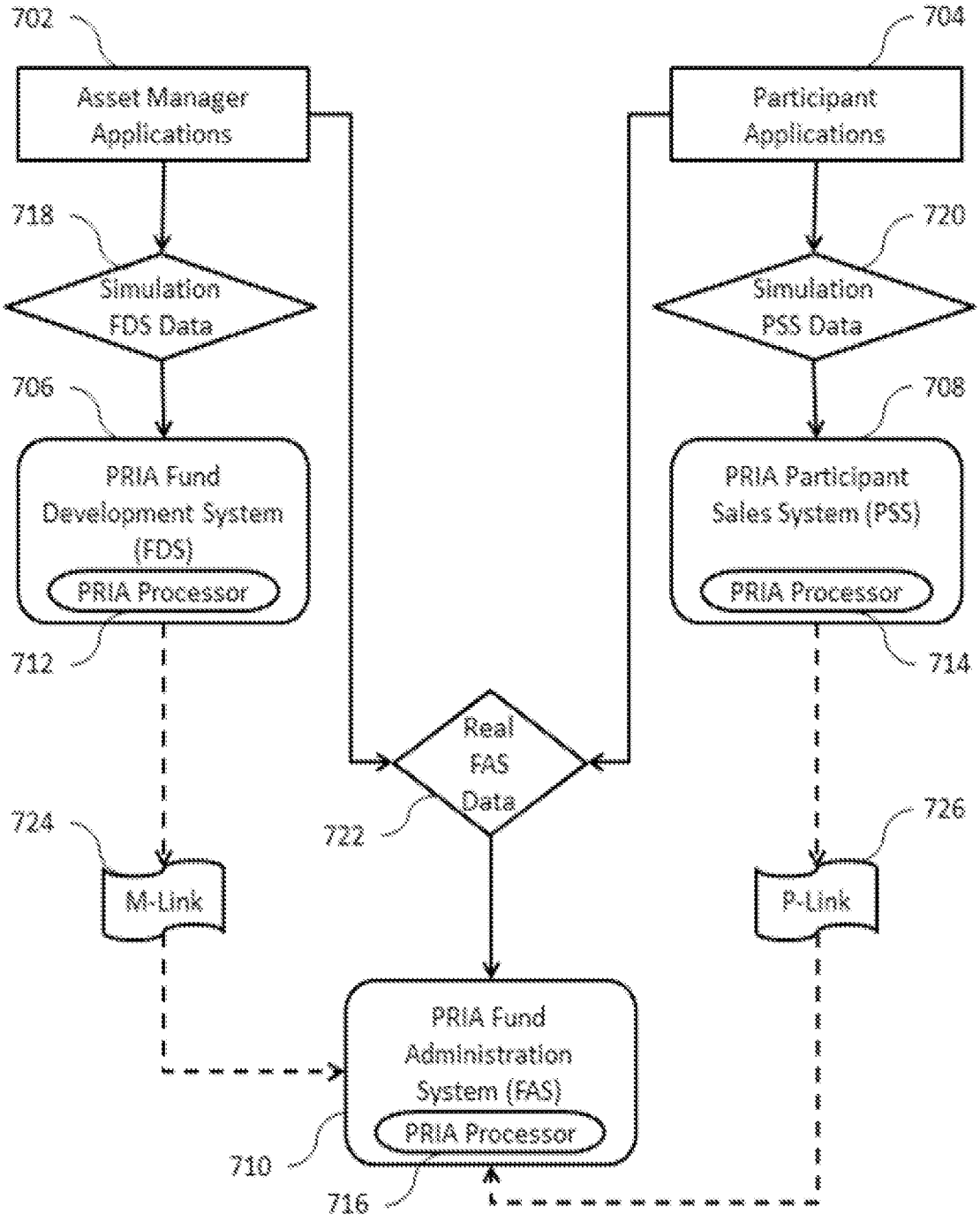

702
Asset Manager Applications
704
Participant Applications
718
Simulation FDS Data
720
Simulation PSS Data
706
PRIA Fund Development System (FDS)
PRIA Processor
708
PRIA Participant Sales System (PSS)
PRIA Processor
712
714
Real FAS Data
722
724
M-Link
726
P-Link
PRIA Fund Administration System (FAS)
PRIA Processor
710
716

FIG. 7

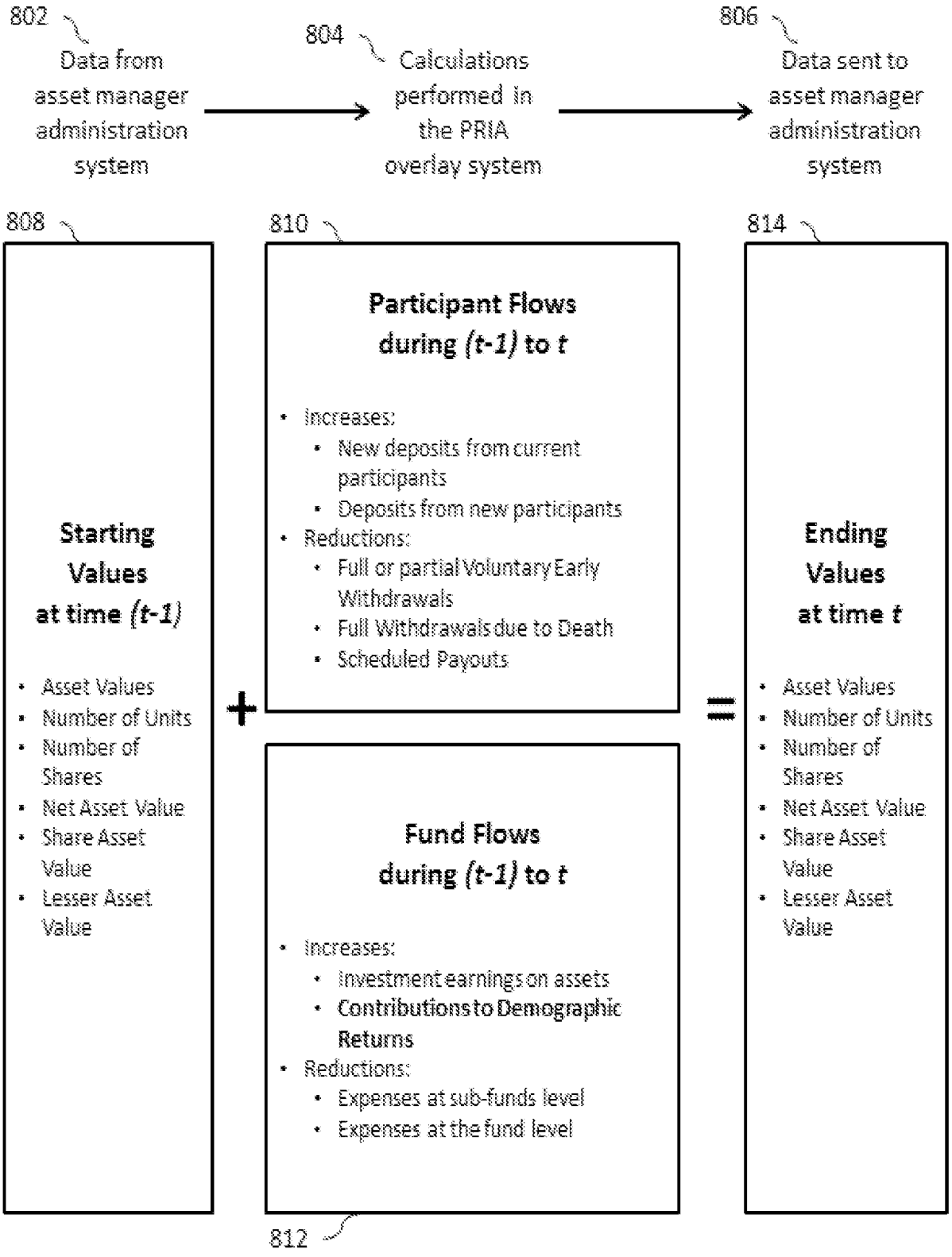

802
Data from asset manager administration system
804
Calculations performed in the PRIA overlay system
806
Data sent to asset manager administration system
808
Starting Values at time (t-1)
Asset Values
Number of Units
Number of Shares
Net Asset Value
Share Asset Value
Lesser Asset Value
+
810
Participant Flows during (t-1) to t
Increases:
New deposits from current participants
Deposits from new participants
Reductions:
Full or partial Voluntary Early Withdrawals
Full Withdrawals due to Death
Scheduled Payouts
812
Fund Flows during (t-1) to t
Increases:
Investment earnings on assets
Contributions to Demographic Returns
Reductions:
Expenses at sub-funds level
Expenses at the fund level
=
814
Ending Values at time t
Asset Values
Number of Units
Number of Shares
Net Asset Value
Share Asset Value
Lesser Asset Value

FIG. 8

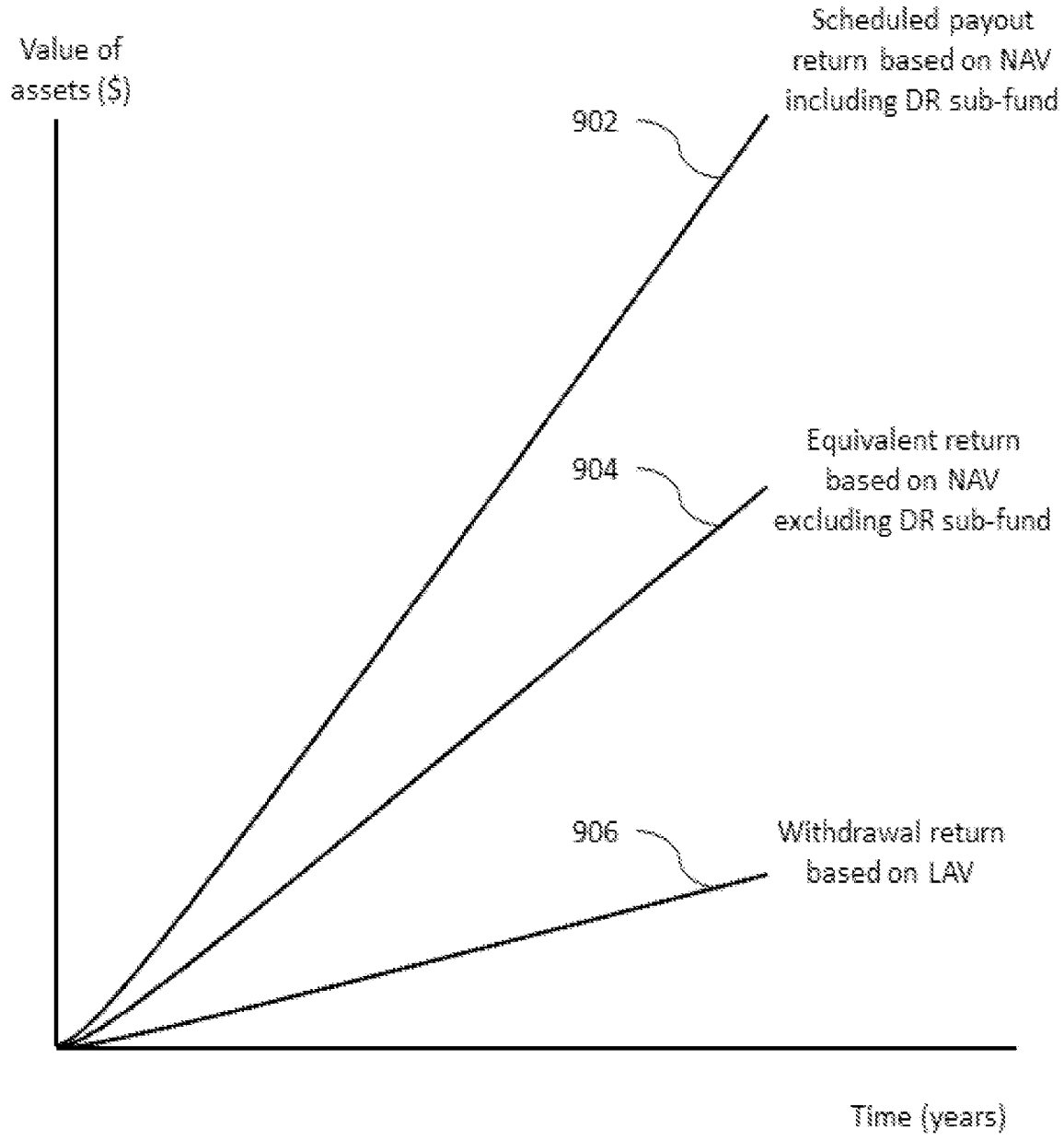

Value of assets ($)
Scheduled payout return based on NAV including DR sub-fund
902
Equivalent return based on NAV excluding DR sub-fund
904
Withdrawal return based on LAV
906
Time (years)

FIG. 9

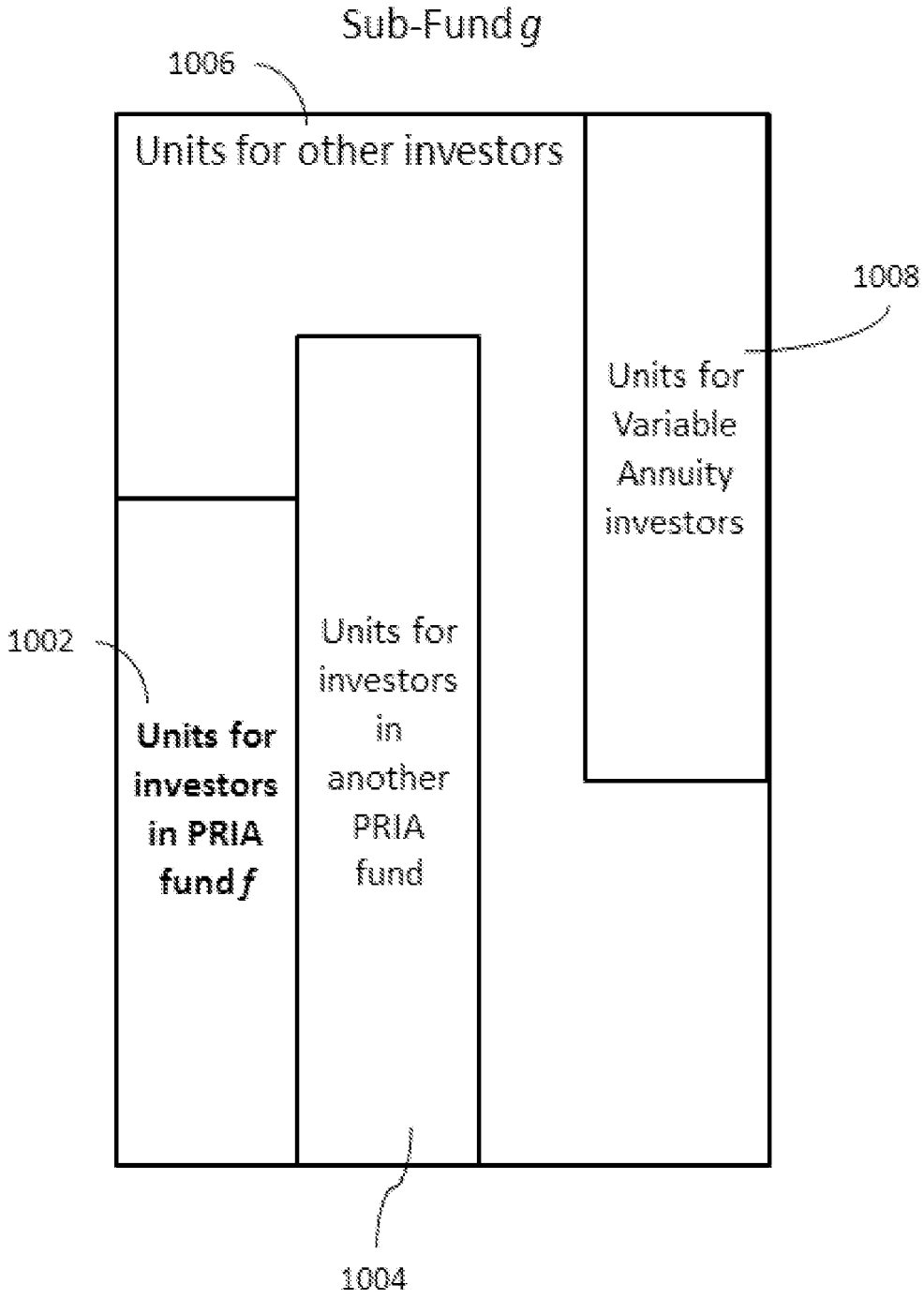

Sub-Fund *g*
1006
Units for other investors
1008
Units for Variable Annuity investors
1002
Units for investors in PRIA fund *f*
Units for investors in another PRIA fund
1004

FIG. 10

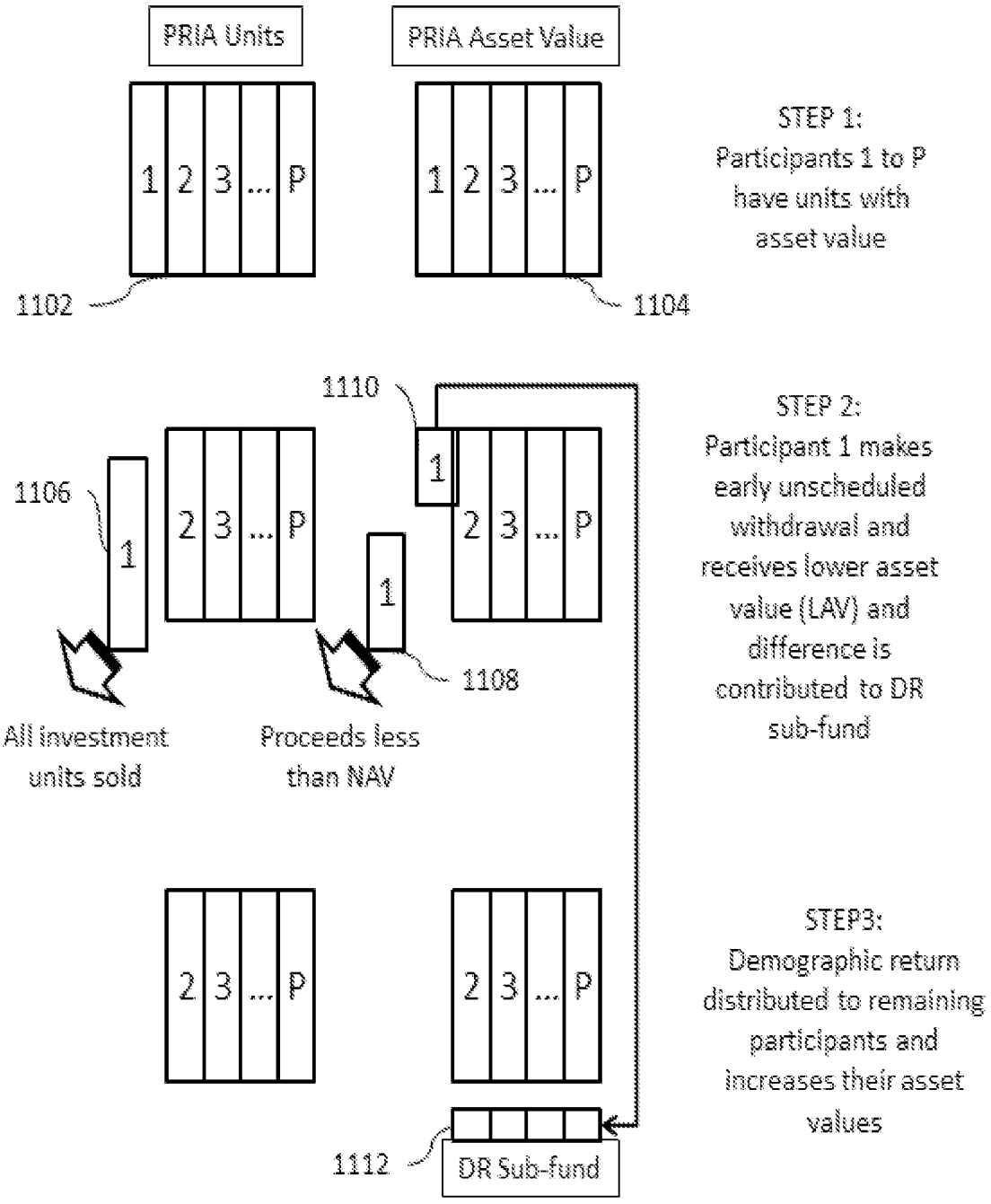

PRIA Units
PRIA Asset Value
1 2 3 ... P
1 2 3 ... P
1102
1104
STEP 1:
Participants 1 to P have units with asset value
1110
1106
1
2 3 ... P
1
2 3 ... P
1
1108
All investment units sold
Proceeds less than NAV
STEP 2:
Participant 1 makes early unscheduled withdrawal and receives lower asset value (LAV) and difference is contributed to DR sub-fund
2 3 ... P
2 3 ... P
1112
DR Sub-fund
STEP3:
Demographic return distributed to remaining participants and increases their asset values

FIG. 11

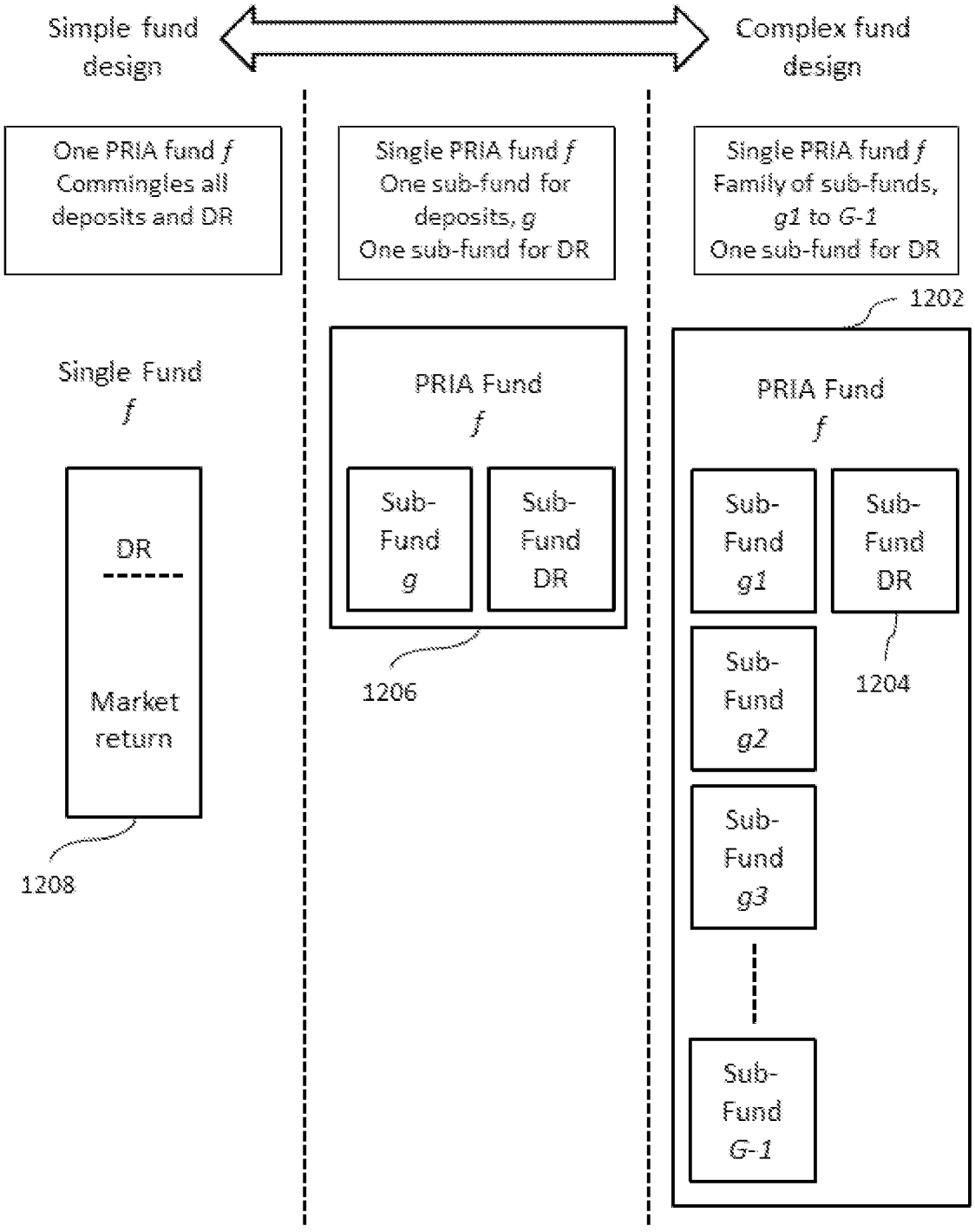

Simple fund design
Complex fund design
One PRIA fund f
Commingles all deposits and DR
Single PRIA fund f
One sub-fund for deposits, g
One sub-fund for DR
Single PRIA fund f
Family of sub-funds, g1 to G-1
One sub-fund for DR
1202
Single Fund f
DR
Market return
1208
PRIA Fund f
Sub-Fund g
Sub-Fund DR
1206
PRIA Fund f
Sub-Fund g1
Sub-Fund DR
1204
Sub-Fund g2
Sub-Fund g3
Sub-Fund G-1

FIG. 12

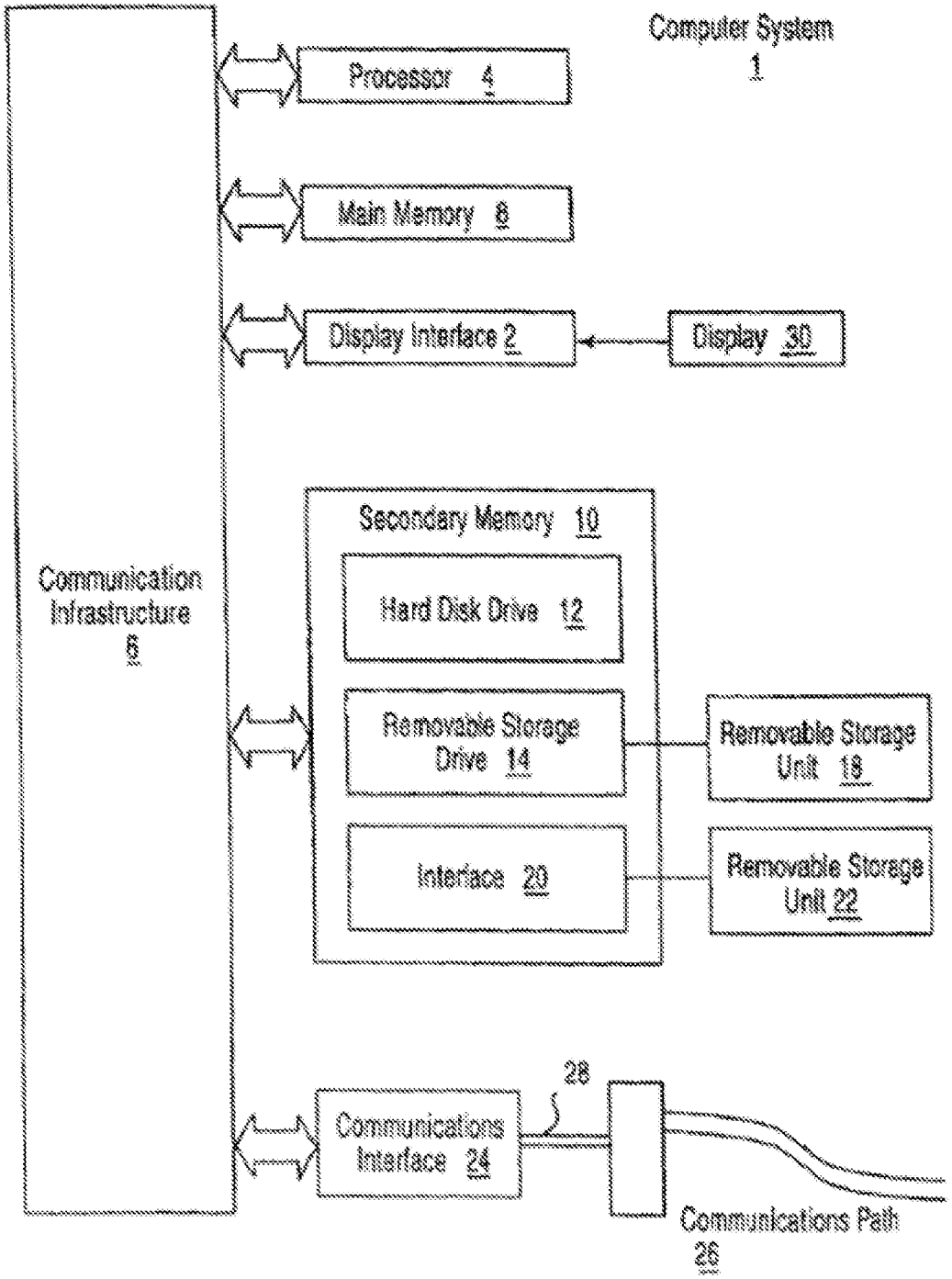

Computer System
1
Processor 4
Main Memory 6
Display Interface 2
Display 30
Secondary Memory 10
Hard Disk Drive 12
Removable Storage Drive 14
Removable Storage Unit 18
Interface 20
Removable Storage Unit 22
Communication Infrastructure 6
28
Communications Interface 24
Communications Path 26

FIG. 13