

| Variable Annuity vs. 403(b)(7) Mutual Fund | Variable Annuity | 403(b)(7) Mutual Fund |
|--|---|--|
| Company | American Fidelity Assurance Company | The Vanguard Group |
| Product | AFAdvantage Variable Annuity | Vanguard® 403(b)(7) Individual Custodial Account |
| Surrender Period | 1 - 8.00% 2 - 7.00% 3 - 6.00% 4 - 5.00% 5 - 4.00% 6 - 3.00% 7 - 2.00% 8 - 1.00% 9 - 0.00% | None |
| Mortality and Expense | 1.25% Daily | None |
| Administrative Fee | 0.15% Daily | None |
| Distribution Expense Charge | 0.10% Daily | None |
| Contract Fee | \$15.00 Annually | \$15 Annually |
| Subaccount/Mutual Fund | Vanguard Balanced Portfolio | Vanguard Balanced Index Fund |
| Investment | Portfolio seeks long-term capital appreciation and reasonable current income by investing 60%-70% of its assets in dividend-paying and, to a lesser extent, non-dividend-paying common stocks of established, medium-size and large companies that the manager believes appear to be undervalued but have prospects for improvement. The remaining 30%-40% of assets are invested mainly in investment-grade corporate bonds, with some US Treasury, government agency and mortgage-backed fixed-income securities that the manager believes will generate a reasonable level of current income (actively managed). | With 60% of its assets, the Fund seeks to track the performance of a benchmark index that measures the investment return of the overall U.S. stock market. With 40% of its assets, the Fund seeks to track the performance of a broad, market-weighted bond index (passively managed). |
| Account Service Fee | NA | \$20 Annually (for fund account balance below \$10,000) |
| Mutual Fund Expense Ratio | 0.31% Daily | 0.25% Annually |
| Average Annual Total Returns | 1 - 20.95% 5 - 3.16% 10 - 4.52% 15 - 8.06% | 1 - 20.05% 5 - 2.87% 10 - 2.64% 15 - 7.87% |
| Estimated Annual Fees | 1.81%* | 0.25% |

**Assumes no additional riders are taken (LWB, LBR, etc.)*