

Protecting Retirement Dollars

For: Ron Grove



Presented By: _____

[Licensed user's name appears here]

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Preface

A decision to acquire additional life insurance can represent one of several significant phases in your overall financial planning.

An important part of this decision involves the comparison of the life insurance policy to alternative investment possibilities.

To help you make an informed decision about acquiring the policy, the accompanying presentation shows financial data regarding life insurance compared to these alternatives:

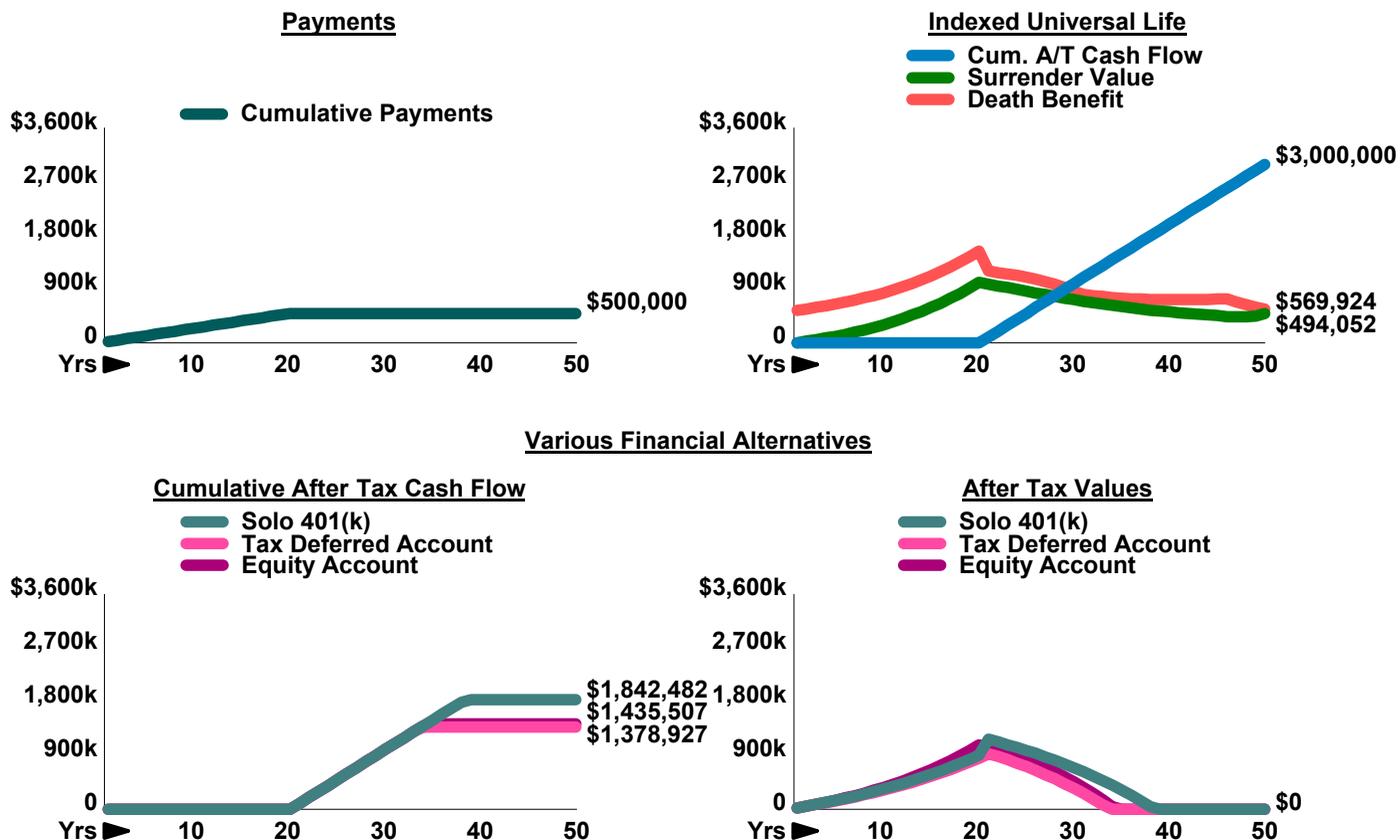
Solo 401(k);
Tax Deferred Account;
Equity Account.

The study offers information from which you and your advisers can draw informed conclusions about the suitability of either plan.

Following are major features of the life insurance policy for you to consider as part of your overall assessment:

1. Income tax free death benefits;
2. Probate free death benefits;
3. Accumulating cash values;
4. Income tax deferred growth of cash values;
5. Competitive current interest rate;
6. Tax free access to cash values via policy loans;
7. Privacy of all transactions;
8. Advance of death benefits in certain adverse health circumstances -- as defined in the policy contract.

Favorable income tax consequences combine with significant policy values and benefits to produce a life insurance solution that has a considerable amount of financial leverage.



This graphic assumes the non-guaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable.

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Comparison of Values

| | | | | | | | |
|-------------------------|----------------------------------|-----------------------------|-------------------------------|--------------------------|---|--------------------------------|-------------------------------|
| Solo 401(k) Yield 7.00% | Tax Deferred Account Yield 7.00% | Equity Account Growth 7.00% | Equity Account Dividend 2.00% | Dividend Tax Rate 25.00% | Income Tax Rate 40.00% for 20 Years 20.00% Thereafter | Indexed UL Interest Rate 7.00% | Initial Death Benefit 527,035 |
|-------------------------|----------------------------------|-----------------------------|-------------------------------|--------------------------|---|--------------------------------|-------------------------------|

| | | After Tax Values of Identical Allocation to Various Financial Alternatives | | | | | | Indexed UL | | | | |
|----|----------|--|---|--|--|---------------------------|--|---------------------|-------------------------------------|----------------------------|--------------------------------|--------------------|
| Yr | Male Age | (1) Life Insurance Premium | (2a) After Tax Cash Flow from Solo 401(k) | (2b) Year End After Tax Value of 401k if Distributed | (3a) After Tax Cash Flow from Tax Deferred Account | (3b) Tax Deferred Account | (4a) After Tax Cash Flow from Equity Account | (4b) Equity Account | (5a) After Tax Policy Loan Proceeds | (5b) Year End Accum Value* | (5c) Year End Surrender Value* | (5d) Death Benefit |
| 1 | 45 | 25,000 | 0 | 26,349 | 0 | 26,050 | 0 | 26,718 | 0 | 22,374 | 7,053 | 549,409 |
| 2 | 46 | 25,000 | 0 | 54,119 | 0 | 53,224 | 0 | 55,272 | 0 | 46,324 | 31,219 | 573,359 |
| 3 | 47 | 25,000 | 0 | 83,389 | 0 | 81,599 | 0 | 85,789 | 0 | 71,974 | 57,095 | 599,009 |
| 4 | 48 | 25,000 | 0 | 114,236 | 0 | 111,261 | 0 | 118,403 | 0 | 99,455 | 84,814 | 626,490 |
| 5 | 49 | 25,000 | 0 | 146,748 | 0 | 142,300 | 0 | 153,258 | 0 | 128,889 | 114,490 | 655,924 |
| 6 | 50 | 25,000 | 0 | 181,014 | 0 | 174,811 | 0 | 190,509 | 0 | 160,408 | 146,257 | 687,443 |
| 7 | 51 | 25,000 | 0 | 217,129 | 0 | 208,898 | 0 | 230,321 | 0 | 194,158 | 182,837 | 721,193 |
| 8 | 52 | 25,000 | 0 | 255,191 | 0 | 244,671 | 0 | 272,868 | 0 | 230,297 | 221,807 | 757,332 |
| 9 | 53 | 25,000 | 0 | 295,308 | 0 | 282,248 | 0 | 318,339 | 0 | 269,000 | 263,340 | 796,035 |
| 10 | 54 | 25,000 | 0 | 337,589 | 0 | 321,755 | 0 | 366,935 | 0 | 310,453 | 307,623 | 837,488 |
| 11 | 55 | 25,000 | 0 | 382,151 | 0 | 363,328 | 0 | 418,870 | 0 | 359,689 | 359,689 | 886,724 |
| 12 | 56 | 25,000 | 0 | 429,117 | 0 | 407,111 | 0 | 474,375 | 0 | 412,769 | 412,769 | 939,804 |
| 13 | 57 | 25,000 | 0 | 478,616 | 0 | 453,258 | 0 | 533,695 | 0 | 469,978 | 469,978 | 997,013 |
| 14 | 58 | 25,000 | 0 | 530,786 | 0 | 501,936 | 0 | 597,091 | 0 | 531,635 | 531,635 | 1,058,670 |
| 15 | 59 | 25,000 | 0 | 585,772 | 0 | 553,322 | 0 | 664,843 | 0 | 598,082 | 598,082 | 1,125,117 |
| 16 | 60 | 25,000 | 0 | 643,723 | 0 | 607,604 | 0 | 737,253 | 0 | 669,683 | 669,683 | 1,196,718 |
| 17 | 61 | 25,000 | 0 | 704,801 | 0 | 664,986 | 0 | 814,639 | 0 | 746,845 | 746,845 | 1,273,880 |
| 18 | 62 | 25,000 | 0 | 769,175 | 0 | 725,685 | 0 | 897,344 | 0 | 829,999 | 829,999 | 1,357,034 |
| 19 | 63 | 25,000 | 0 | 837,021 | 0 | 789,933 | 0 | 985,732 | 0 | 919,606 | 919,606 | 1,446,641 |
| 20 | 64 | 25,000 | 0 | 908,527 | 0 | 857,978 | 0 | 1,080,194 | 0 | 1,016,168 | 1,016,168 | 1,543,203 |
| 21 | 65 | 0 | 100,000 | 1,171,328 | 100,000 | 931,715 | 100,000 | 1,038,826 | 100,000 | 1,094,352 | 987,590 | 1,206,461 |
| 22 | 66 | 0 | 100,000 | 1,129,126 | 100,000 | 882,935 | 100,000 | 993,691 | 100,000 | 1,177,593 | 958,731 | 1,182,474 |
| 23 | 67 | 0 | 100,000 | 1,084,646 | 100,000 | 830,741 | 100,000 | 944,536 | 100,000 | 1,266,217 | 929,650 | 1,157,569 |
| 24 | 68 | 0 | 100,000 | 1,037,769 | 100,000 | 774,893 | 100,000 | 891,087 | 100,000 | 1,360,586 | 900,429 | 1,131,729 |
| 25 | 69 | 0 | 100,000 | 988,362 | 100,000 | 715,135 | 100,000 | 833,049 | 100,000 | 1,460,990 | 871,063 | 1,104,821 |
| 26 | 70 | 0 | 100,000 | 936,289 | 100,000 | 651,194 | 100,000 | 770,105 | 100,000 | 1,567,791 | 841,606 | 1,076,775 |
| 27 | 71 | 0 | 100,000 | 881,406 | 100,000 | 582,778 | 100,000 | 701,912 | 100,000 | 1,681,674 | 812,418 | 1,031,036 |
| 28 | 72 | 0 | 100,000 | 823,563 | 100,000 | 509,813 | 100,000 | 628,102 | 100,000 | 1,803,234 | 783,753 | 982,109 |
| 29 | 73 | 0 | 100,000 | 762,600 | 100,000 | 432,763 | 100,000 | 548,277 | 100,000 | 1,933,076 | 755,859 | 929,836 |
| 30 | 74 | 0 | 100,000 | 698,348 | 100,000 | 351,397 | 100,000 | 462,009 | 100,000 | 2,071,850 | 729,010 | 874,040 |
| | | 500,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |

See the accompanying reports for year-by-year details:
 Details of the Equity Account
 Tax Deferred Account
 Solo 401(k) Details

Management fees reflected in columns (2b) & (4b):
 401k = 1.50%, EQ = 1.50%

Tax Deferred Account is assessed:
 Income tax each year. Column (3b) values are after tax.

Note: Tax Deferred Account values do not reflect surrender charges or market rate adjustments, if any.

*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

This is an illustration, not a contract.

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Comparison of Values

| | | | | | | | |
|-------------------------|----------------------------------|-----------------------------|-------------------------------|--------------------------|---|--------------------------------|-------------------------------|
| Solo 401(k) Yield 7.00% | Tax Deferred Account Yield 7.00% | Equity Account Growth 7.00% | Equity Account Dividend 2.00% | Dividend Tax Rate 25.00% | Income Tax Rate 40.00% for 20 Years 20.00% Thereafter | Indexed UL Interest Rate 7.00% | Initial Death Benefit 527,035 |
|-------------------------|----------------------------------|-----------------------------|-------------------------------|--------------------------|---|--------------------------------|-------------------------------|

| | | After Tax Values of Identical Allocation to Various Financial Alternatives | | | | | | Indexed UL | | | | |
|----|----------|--|---|--|--|---------------------------|--|---------------------|-------------------------------------|----------------------------|--------------------------------|--------------------|
| Yr | Male Age | (1) Life Insurance Premium | (2a) After Tax Cash Flow from Solo 401(k) | (2b) Year End After Tax Value of 401k if Distributed | (3a) After Tax Cash Flow from Tax Deferred Account | (3b) Tax Deferred Account | (4a) After Tax Cash Flow from Equity Account | (4b) Equity Account | (5a) After Tax Policy Loan Proceeds | (5b) Year End Accum Value* | (5c) Year End Surrender Value* | (5d) Death Benefit |
| 31 | 75 | 0 | 100,000 | 630,629 | 100,000 | 265,475 | 100,000 | 368,838 | 100,000 | 2,220,033 | 703,289 | 814,291 |
| 32 | 76 | 0 | 100,000 | 559,256 | 100,000 | 174,741 | 100,000 | 268,270 | 100,000 | 2,377,675 | 678,332 | 797,216 |
| 33 | 77 | 0 | 100,000 | 484,033 | 100,000 | 78,927 | 100,000 | 159,769 | 100,000 | 2,545,371 | 654,299 | 781,567 |
| 34 | 78 | 0 | 100,000 | 404,751 | 78,927 | 0 | 100,000 | 42,763 | 100,000 | 2,723,757 | 631,370 | 767,557 |
| 35 | 79 | 0 | 100,000 | 321,193 | 0 | 0 | 35,507 | 0 | 100,000 | 2,913,470 | 609,701 | 755,375 |
| 36 | 80 | 0 | 100,000 | 233,126 | 0 | 0 | 0 | 0 | 100,000 | 3,115,153 | 589,435 | 745,192 |
| 37 | 81 | 0 | 100,000 | 140,307 | 0 | 0 | 0 | 0 | 100,000 | 3,329,381 | 570,614 | 737,083 |
| 38 | 82 | 0 | 100,000 | 42,482 | 0 | 0 | 0 | 0 | 100,000 | 3,556,744 | 553,277 | 731,114 |
| 39 | 83 | 0 | 42,482 | 0 | 0 | 0 | 0 | 0 | 100,000 | 3,797,883 | 537,481 | 727,375 |
| 40 | 84 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 4,053,255 | 523,071 | 725,734 |
| 41 | 85 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 4,323,075 | 509,620 | 725,773 |
| 42 | 86 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 4,607,920 | 497,031 | 727,427 |
| 43 | 87 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 4,908,138 | 484,941 | 730,348 |
| 44 | 88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 5,223,961 | 472,843 | 734,041 |
| 45 | 89 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 5,555,592 | 460,156 | 737,936 |
| 46 | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 5,903,136 | 446,166 | 741,323 |
| 47 | 91 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 6,275,363 | 438,783 | 689,797 |
| 48 | 92 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 6,676,423 | 441,253 | 641,545 |
| 49 | 93 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 7,111,526 | 457,835 | 600,065 |
| 50 | 94 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,000 | 7,587,190 | 494,052 | 569,924 |
| | | 500,000 | 1,842,482 | | 1,378,927 | | 1,435,507 | | 3,000,000 | | | |

See the accompanying reports for year-by-year details:
 Details of the Equity Account
 Tax Deferred Account
 Solo 401(k) Details

Management fees reflected in columns (2b) & (4b):
 401k = 1.50%, EQ = 1.50%

Tax Deferred Account is assessed:
 Income tax each year. Column (3b) values are after tax.

Note: Tax Deferred Account values do not reflect surrender charges or market rate adjustments, if any.

*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

This is an illustration, not a contract.

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

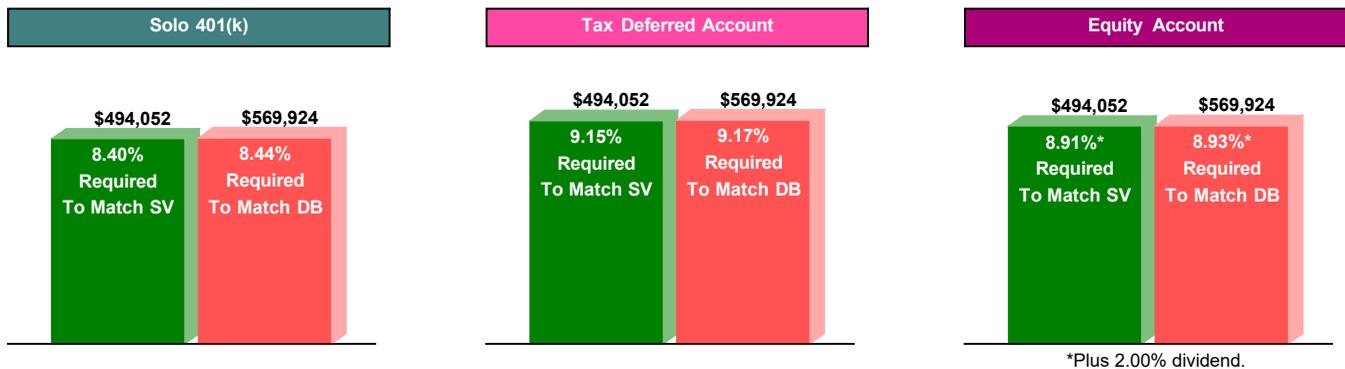
Matching Values

| | | | | | | | |
|-------------------------|----------------------------------|-----------------------------|-------------------------------|--------------------------|---|--------------------------------|-------------------------------|
| Solo 401(k) Yield 7.00% | Tax Deferred Account Yield 7.00% | Equity Account Growth 7.00% | Equity Account Dividend 2.00% | Dividend Tax Rate 25.00% | Income Tax Rate 40.00% for 20 Years 20.00% Thereafter | Indexed UL Interest Rate 7.00% | Initial Death Benefit 527,035 |
|-------------------------|----------------------------------|-----------------------------|-------------------------------|--------------------------|---|--------------------------------|-------------------------------|

Yield/Growth Required by Various Investments in Addition to the Dividend Illustrated for the Equity Account to Match Indexed UL Policy Values over 50 years

| Investment | Yield/Growth | Indexed UL |
|----------------------|--------------|--|
| Solo 401(k) | 8.40% | Surrender Value \$494,052 Death Benefit \$569,924 |
| Solo 401(k) | 8.44% | |
| Tax Deferred Account | 9.15% | Surrender Value \$494,052 Death Benefit \$569,924 |
| Tax Deferred Account | 9.17% | |
| Equity Account | 8.91%* | Surrender Value \$494,052 Death Benefit \$569,924 |
| Equity Account | 8.93%* | |

*Plus 2.00% dividend.



Income Tax Considerations

1. Solo 401(k): Interest is tax deferred.
2. Tax Deferred Account: Interest is tax deferred.
(Values assume tax is assessed in year shown only)
3. Equity Account: Capital gains tax calculations are taxed based on a ratio of asset value to remaining cost basis in any given year.
4. Indexed Universal Life:
 - a. Death Benefit including cash value component is income tax free.
 - b. Loans are income tax free as long as the policy is kept in force.
 - c. Withdrawals and other non-loan policy cash flow up to cost basis (not in violation of IRC Section 7702) are income tax free as a return of premium.
 - d. Cash values shown assume most favorable combination of b and/or c.

This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

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Indexed Universal Life vs. Various Financial Alternatives

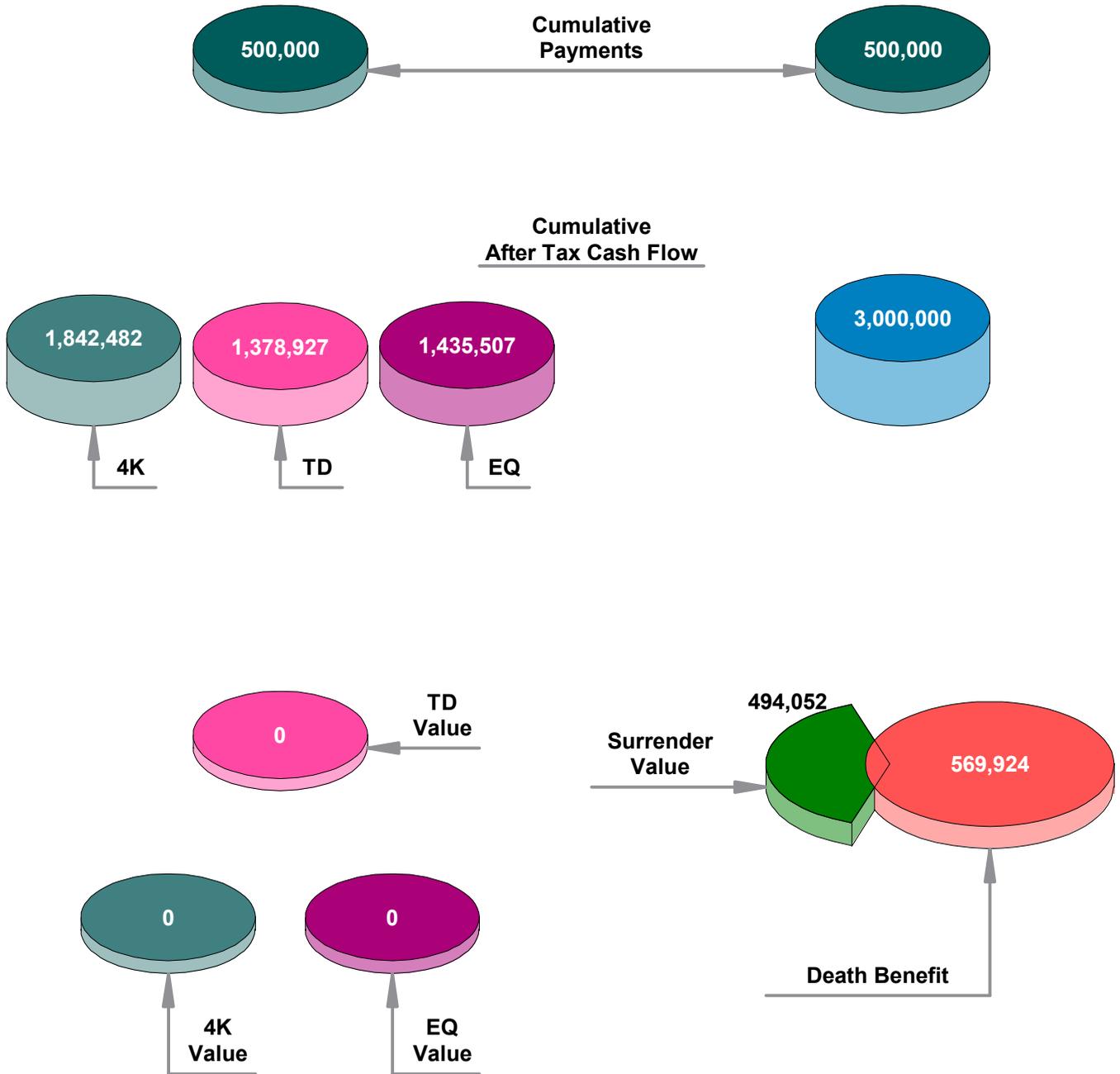
Presented By: [Licensed user's name appears here]

Insured: Ron Grove

A Look at Year 50

Various Financial Alternatives

Indexed Universal Life



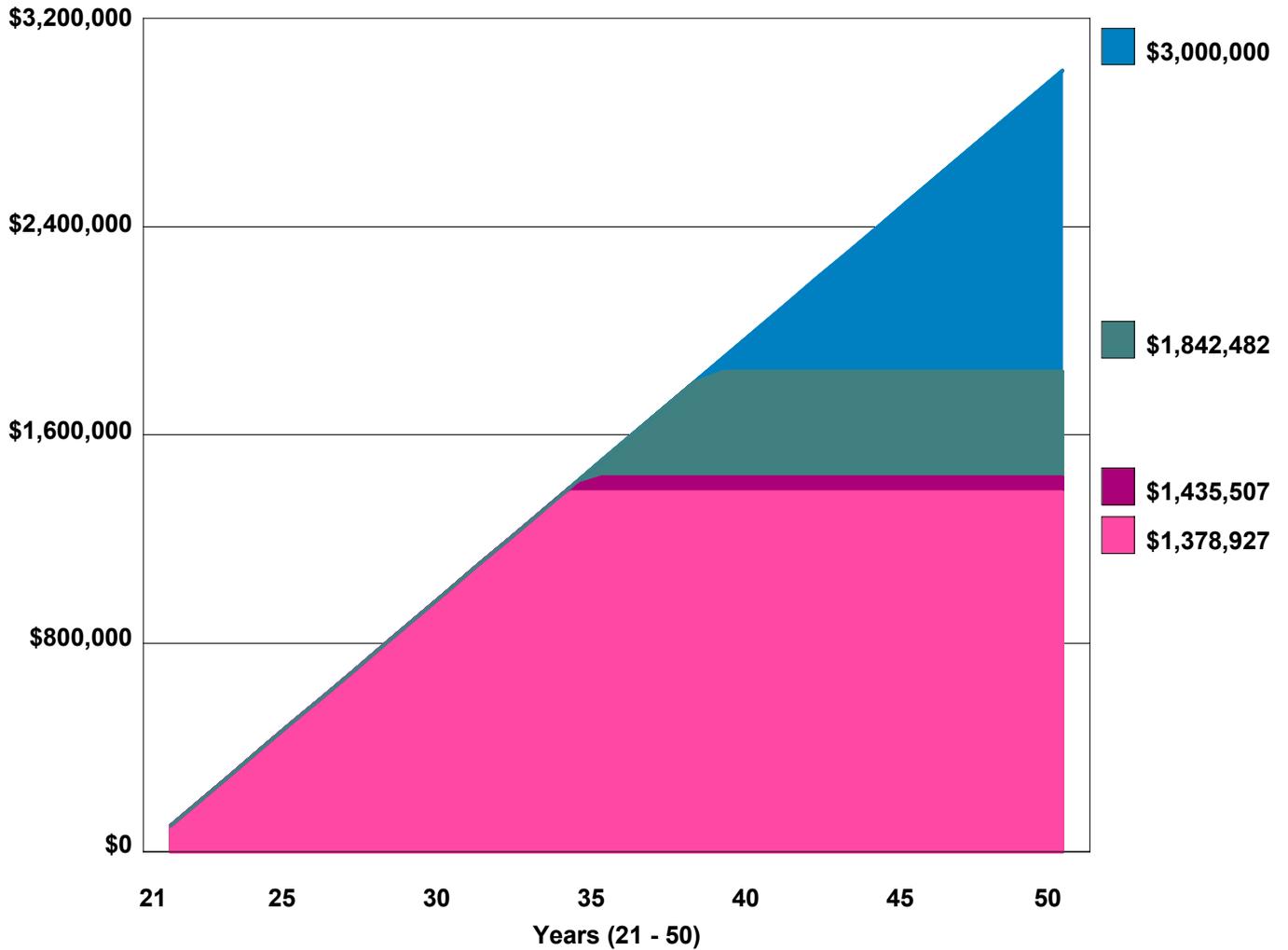
4K - Solo 401(k)
TD - Tax Deferred Account
EQ - Equity Account

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Cash Flow Comparison of Years 21 - 50



At Year 50

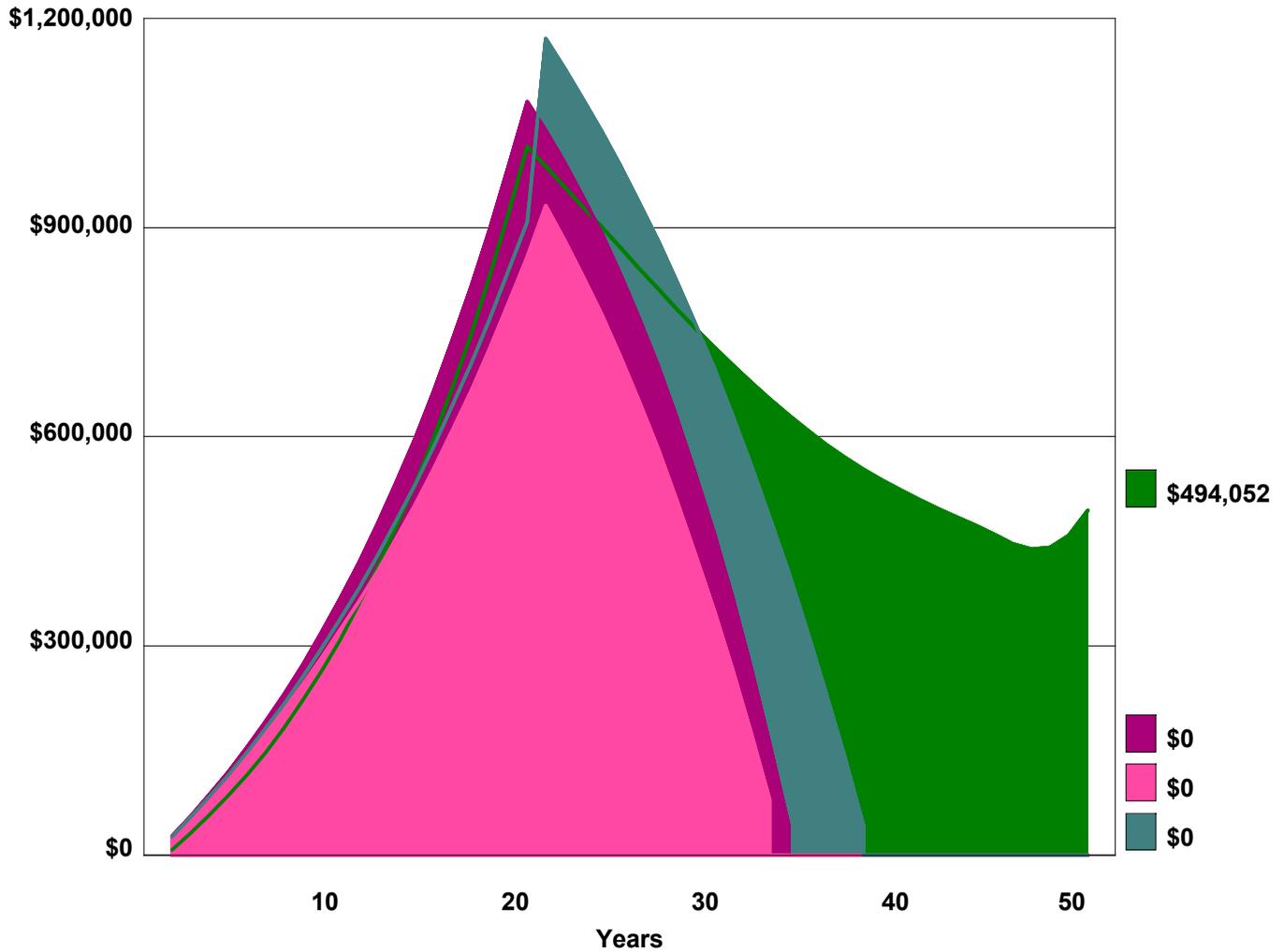
| | |
|---|-------------|
| Cumulative After Tax Cash Flow from Solo 401(k) | \$1,842,482 |
| Cumulative After Tax Cash Flow from Tax Deferred Account | \$1,378,927 |
| Cumulative After Tax Cash Flow from An Equity Account | \$1,435,507 |
| Cumulative After Tax Policy Loan Proceeds from Indexed UL | \$3,000,000 |

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

50 Year Comparison of Values



At Year 50

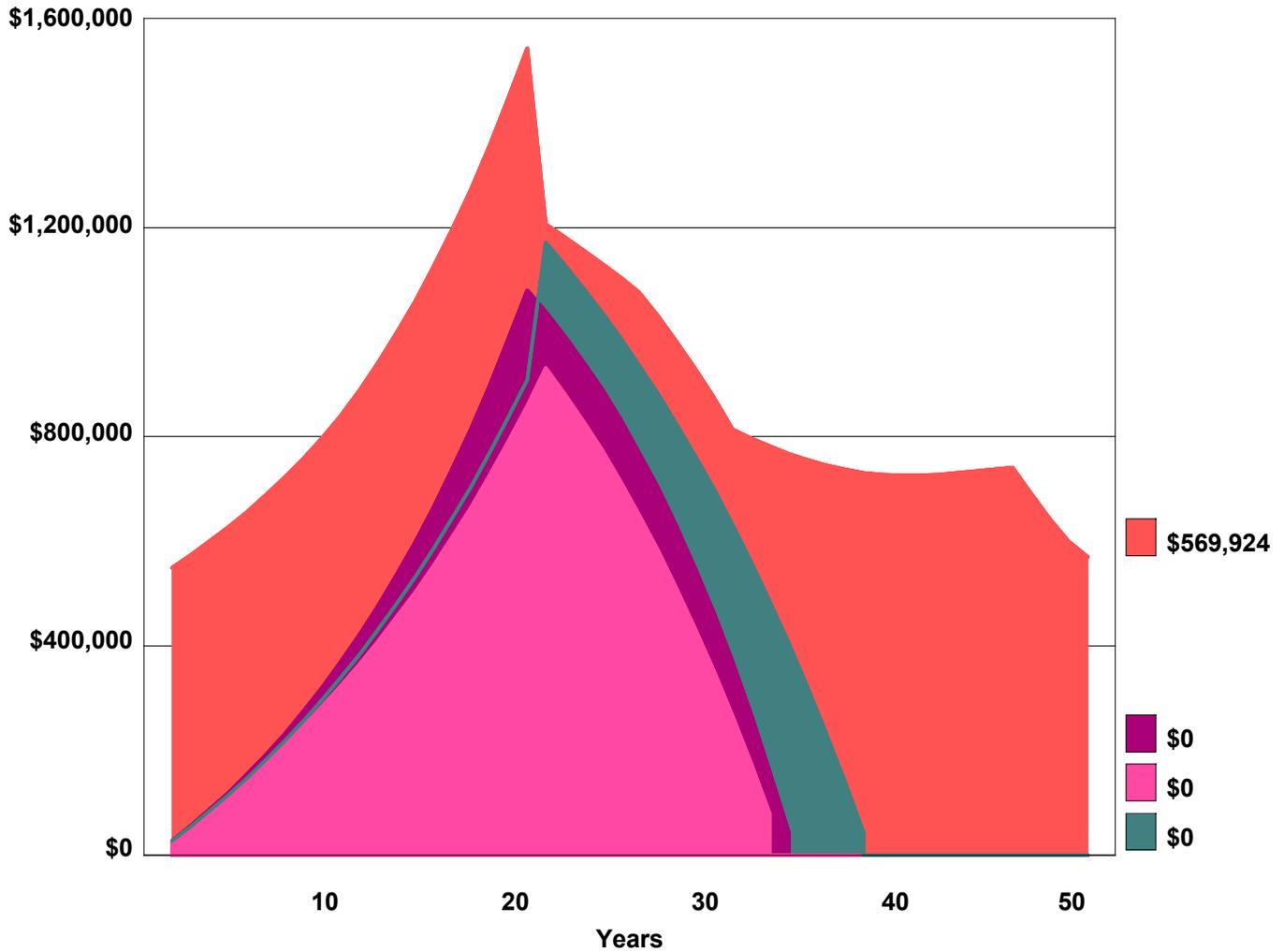
| | |
|--|-----------|
| After Tax Values of Solo 401(k) | \$0 |
| After Tax Values of Tax Deferred Account | \$0 |
| After Tax Values of An Equity Account | \$0 |
| Surrender Value of Indexed UL | \$494,052 |

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

50 Year Comparison of Death Benefit



At Year 50

| | |
|---------------------------------------|-----------|
| Death Benefit of Solo 401(k) | \$0 |
| Death Benefit of Tax Deferred Account | \$0 |
| Death Benefit of An Equity Account | \$0 |
| Death Benefit of Indexed UL | \$569,924 |

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Tax Deductible Retirement Plan (TDRP) Details

| | | Solo 401(k) Yield 7.00% | | Income Tax Rate 40.00% for 20 Years 20.00% Thereafter | | | |
|------|----------|--|---|---|-----------------------------------|--|--|
| Year | Male Age | (1) Tax Deductible Deposits to the Solo 401(k) | (2) After Tax Equivalent of Solo 401(k) Deposit | (3) After Tax Withdrawal from the Solo 401(k)* | (4) Year End Value of Solo 401(k) | (5) Year End Value of Solo 401(k) if Distributed | (6) After Tax Death Benefit of Solo 401(k) |
| 1 | 45 | 41,667 | 25,000 | 0 | 43,915 | 26,349 | 26,349 |
| 2 | 46 | 41,667 | 25,000 | 0 | 90,199 | 54,119 | 54,119 |
| 3 | 47 | 41,667 | 25,000 | 0 | 138,981 | 83,389 | 83,389 |
| 4 | 48 | 41,667 | 25,000 | 0 | 190,394 | 114,236 | 114,236 |
| 5 | 49 | 41,667 | 25,000 | 0 | 244,580 | 146,748 | 146,748 |
| 6 | 50 | 41,667 | 25,000 | 0 | 301,690 | 181,014 | 181,014 |
| 7 | 51 | 41,667 | 25,000 | 0 | 361,881 | 217,129 | 217,129 |
| 8 | 52 | 41,667 | 25,000 | 0 | 425,319 | 255,191 | 255,191 |
| 9 | 53 | 41,667 | 25,000 | 0 | 492,180 | 295,308 | 295,308 |
| 10 | 54 | 41,667 | 25,000 | 0 | 562,648 | 337,589 | 337,589 |
| 11 | 55 | 41,667 | 25,000 | 0 | 636,918 | 382,151 | 382,151 |
| 12 | 56 | 41,667 | 25,000 | 0 | 715,195 | 429,117 | 429,117 |
| 13 | 57 | 41,667 | 25,000 | 0 | 797,694 | 478,616 | 478,616 |
| 14 | 58 | 41,667 | 25,000 | 0 | 884,644 | 530,786 | 530,786 |
| 15 | 59 | 41,667 | 25,000 | 0 | 976,286 | 585,772 | 585,772 |
| 16 | 60 | 41,667 | 25,000 | 0 | 1,072,872 | 643,723 | 643,723 |
| 17 | 61 | 41,667 | 25,000 | 0 | 1,174,669 | 704,801 | 704,801 |
| 18 | 62 | 41,667 | 25,000 | 0 | 1,281,958 | 769,175 | 769,175 |
| 19 | 63 | 41,667 | 25,000 | 0 | 1,395,035 | 837,021 | 837,021 |
| 20 | 64 | 41,667 | 25,000 | 0 | 1,514,212 | 908,527 | 908,527 |
| 21 | 65 | 0 | 0 | 100,000 | 1,464,160 | 1,171,328 | 1,171,328 |
| 22 | 66 | 0 | 0 | 100,000 | 1,411,407 | 1,129,126 | 1,129,126 |
| 23 | 67 | 0 | 0 | 100,000 | 1,355,808 | 1,084,646 | 1,084,646 |
| 24 | 68 | 0 | 0 | 100,000 | 1,297,211 | 1,037,769 | 1,037,769 |
| 25 | 69 | 0 | 0 | 100,000 | 1,235,452 | 988,362 | 988,362 |
| 26 | 70 | 0 | 0 | 100,000 | 1,170,361 | 936,289 | 936,289 |
| 27 | 71 | 0 | 0 | 100,000 | 1,101,758 | 881,406 | 881,406 |
| 28 | 72 | 0 | 0 | 100,000 | 1,029,454 | 823,563 | 823,563 |
| 29 | 73 | 0 | 0 | 100,000 | 953,250 | 762,600 | 762,600 |
| 30 | 74 | 0 | 0 | 100,000 | 872,935 | 698,348 | 698,348 |
| | | 833,340 | 500,000 | 1,000,000 | | | |

*Solo 401(k) withdrawal has been grossed up to account for the income tax required to produce the after tax number shown in Column (3).

Management fees reflected in column (4): 1.50%

30 Year Summary

| | Solo 401(k) |
|---------------------|-------------|
| After Tax Payments | 500,000 |
| After Tax Cash Flow | 1,000,000 |
| Living Values | 698,348 |
| Death Benefit | 698,348 |

Note: Solo 401(k) values do not reflect market rate adjustments, if any. Solo 401(k) is assessed:

Tax on withdrawals. Entries in Column (2) are after tax.
 Note: The illustration for the Annual Deposit for the tax deductible retirement plan (TDRP) is hypothetical as such a plan generally involves additional participants requiring increased deposits.

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Tax Deductible Retirement Plan (TDRP) Details

Solo 401(k) Yield 7.00%
 Income Tax Rate 40.00% for 20 Years
 20.00% Thereafter

| Year | Male Age | (1) Tax Deductible Deposits to the Solo 401(k) | (2) After Tax Equivalent of Solo 401(k) Deposit | (3) After Tax Withdrawal from the Solo 401(k)* | (4) Year End Value of Solo 401(k) | (5) Year End Value of Solo 401(k) if Distributed | (6) After Tax Death Benefit of Solo 401(k) |
|------|----------|---|--|---|--------------------------------------|---|---|
| 31 | 75 | 0 | 0 | 100,000 | 788,286 | 630,629 | 630,629 |
| 32 | 76 | 0 | 0 | 100,000 | 699,070 | 559,256 | 559,256 |
| 33 | 77 | 0 | 0 | 100,000 | 605,041 | 484,033 | 484,033 |
| 34 | 78 | 0 | 0 | 100,000 | 505,939 | 404,751 | 404,751 |
| 35 | 79 | 0 | 0 | 100,000 | 401,491 | 321,193 | 321,193 |
| 36 | 80 | 0 | 0 | 100,000 | 291,407 | 233,126 | 233,126 |
| 37 | 81 | 0 | 0 | 100,000 | 175,384 | 140,307 | 140,307 |
| 38 | 82 | 0 | 0 | 100,000 | 53,102 | 42,482 | 42,482 |
| 39 | 83 | 0 | 0 | 42,482 | 0 | 0 | 0 |
| 40 | 84 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41 | 85 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42 | 86 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43 | 87 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44 | 88 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 | 89 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46 | 90 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47 | 91 | 0 | 0 | 0 | 0 | 0 | 0 |
| 48 | 92 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49 | 93 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50 | 94 | 0 | 0 | 0 | 0 | 0 | 0 |

833,340 500,000 1,842,482

*Solo 401(k) withdrawal has been grossed up to account for the income tax required to produce the after tax number shown in Column (3).

Management fees reflected in column (4): 1.50%

Note: Solo 401(k) values do not reflect market rate adjustments, if any. Solo 401(k) is assessed:

Tax on withdrawals. Entries in Column (2) are after tax.
 Note: The illustration for the Annual Deposit for the tax deductible retirement plan (TDRP) is hypothetical as such a plan generally involves additional participants requiring increased deposits.

50 Year Summary

| | Solo 401(k) |
|---------------------|-------------|
| After Tax Payments | 500,000 |
| After Tax Cash Flow | 1,842,482 |
| Living Values | 0 |
| Death Benefit | 0 |

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Tax Deferred Account Details

Tax Deferred Account Yield 7.00%
 Income Tax Rate 40.00% for 20 Years 20.00% Thereafter
 Initial Payment 25,000

| | | Tax Deferred Account | | | | |
|------|----------|-----------------------|----------------------------|--------------------------|------------------------------------|-------------------------|
| Year | Male Age | (1) Annual Deposit | (2) After Tax Cash Flow | (3) Gross Yield 7.00% | (4) Tax Deferred Ending Balance | (5) After Tax Values |
| 1 | 45 | 25,000 | 0 | 1,750 | 26,750 | 26,050 |
| 2 | 46 | 25,000 | 0 | 3,623 | 55,373 | 53,224 |
| 3 | 47 | 25,000 | 0 | 5,626 | 85,999 | 81,599 |
| 4 | 48 | 25,000 | 0 | 7,770 | 118,769 | 111,261 |
| 5 | 49 | 25,000 | 0 | 10,064 | 153,833 | 142,300 |
| 6 | 50 | 25,000 | 0 | 12,518 | 191,351 | 174,811 |
| 7 | 51 | 25,000 | 0 | 15,145 | 231,496 | 208,898 |
| 8 | 52 | 25,000 | 0 | 17,955 | 274,451 | 244,671 |
| 9 | 53 | 25,000 | 0 | 20,962 | 320,413 | 282,248 |
| 10 | 54 | 25,000 | 0 | 24,179 | 369,592 | 321,755 |
| 11 | 55 | 25,000 | 0 | 27,621 | 422,213 | 363,328 |
| 12 | 56 | 25,000 | 0 | 31,305 | 478,518 | 407,111 |
| 13 | 57 | 25,000 | 0 | 35,246 | 538,764 | 453,258 |
| 14 | 58 | 25,000 | 0 | 39,463 | 603,227 | 501,936 |
| 15 | 59 | 25,000 | 0 | 43,976 | 672,203 | 553,322 |
| 16 | 60 | 25,000 | 0 | 48,804 | 746,007 | 607,604 |
| 17 | 61 | 25,000 | 0 | 53,970 | 824,977 | 664,986 |
| 18 | 62 | 25,000 | 0 | 59,498 | 909,475 | 725,685 |
| 19 | 63 | 25,000 | 0 | 65,413 | 999,888 | 789,933 |
| 20 | 64 | 25,000 | 0 | 71,742 | 1,096,630 | 857,978 |
| 21 | 65 | 0 | 100,000 | 68,014 | 1,039,644 | 931,715 |
| 22 | 66 | 0 | 100,000 | 64,025 | 978,669 | 882,935 |
| 23 | 67 | 0 | 100,000 | 59,757 | 913,426 | 830,741 |
| 24 | 68 | 0 | 100,000 | 55,190 | 843,616 | 774,893 |
| 25 | 69 | 0 | 100,000 | 50,303 | 768,919 | 715,135 |
| 26 | 70 | 0 | 100,000 | 45,074 | 688,993 | 651,194 |
| 27 | 71 | 0 | 100,000 | 39,480 | 603,473 | 582,778 |
| 28 | 72 | 0 | 100,000 | 33,794 | 516,572 | 509,813 |
| 29 | 73 | 0 | 100,000 | 28,687 | 438,500 | 432,763 |
| 30 | 74 | 0 | 100,000 | 23,293 | 356,056 | 351,397 |
| | | 500,000 | 1,000,000 | | | |

Tax Deferred Account values are not guaranteed and may be higher or lower than illustrated.

30 Year Summary

| | Tax Deferred Account |
|---------------------|----------------------|
| After Tax Payments | 500,000 |
| After Tax Cash Flow | 1,000,000 |
| Living Values | 356,056 |
| Death Benefit | 351,397 |

Note: Tax Deferred Account values do not reflect surrender charges or market rate adjustments, if any.

Tax Deferred Account is assessed: Income tax each year. Column (5) values are after tax.

Withdrawals are taxable until gain is exhausted. Due to this, any withdrawals reflected in Column (2) have been grossed up so the after tax net is equal to the amount shown.

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Tax Deferred Account Details

Tax Deferred Account Yield 7.00%
 Income Tax Rate 40.00% for 20 Years 20.00% Thereafter
 Initial Payment 25,000

| | | Tax Deferred Account | | | | |
|------|----------|-----------------------|----------------------------|--------------------------|------------------------------------|-------------------------|
| Year | Male Age | (1) Annual Deposit | (2) After Tax Cash Flow | (3) Gross Yield 7.00% | (4) Tax Deferred Ending Balance | (5) After Tax Values |
| 31 | 75 | 0 | 100,000 | 17,598 | 268,995 | 265,475 |
| 32 | 76 | 0 | 100,000 | 11,583 | 177,058 | 174,741 |
| 33 | 77 | 0 | 100,000 | 5,232 | 79,973 | 78,927 |
| 34 | 78 | 0 | 78,927 | 0 | 0 | 0 |
| 35 | 79 | 0 | 0 | 0 | 0 | 0 |
| 36 | 80 | 0 | 0 | 0 | 0 | 0 |
| 37 | 81 | 0 | 0 | 0 | 0 | 0 |
| 38 | 82 | 0 | 0 | 0 | 0 | 0 |
| 39 | 83 | 0 | 0 | 0 | 0 | 0 |
| 40 | 84 | 0 | 0 | 0 | 0 | 0 |
| 41 | 85 | 0 | 0 | 0 | 0 | 0 |
| 42 | 86 | 0 | 0 | 0 | 0 | 0 |
| 43 | 87 | 0 | 0 | 0 | 0 | 0 |
| 44 | 88 | 0 | 0 | 0 | 0 | 0 |
| 45 | 89 | 0 | 0 | 0 | 0 | 0 |
| 46 | 90 | 0 | 0 | 0 | 0 | 0 |
| 47 | 91 | 0 | 0 | 0 | 0 | 0 |
| 48 | 92 | 0 | 0 | 0 | 0 | 0 |
| 49 | 93 | 0 | 0 | 0 | 0 | 0 |
| 50 | 94 | 0 | 0 | 0 | 0 | 0 |
| | | 500,000 | 1,378,927 | | | |

Tax Deferred Account values are not guaranteed and may be higher or lower than illustrated.

50 Year Summary

| | Tax Deferred Account |
|---------------------|----------------------|
| After Tax Payments | 500,000 |
| After Tax Cash Flow | 1,378,927 |
| Living Values | 0 |
| Death Benefit | 0 |

Note: Tax Deferred Account values do not reflect surrender charges or market rate adjustments, if any.

Tax Deferred Account is assessed: Income tax each year. Column (5) values are after tax.

Withdrawals are taxable until gain is exhausted. Due to this, any withdrawals reflected in Column (2) have been grossed up so the after tax net is equal to the amount shown.

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Tax Deferred Account

Tax Deferred Account Yield 7.00%
 Income Tax Rate 40.00% for 20 Years, 20.00% Thereafter
 Initial Payment 25,000

| | | Tax Deferred Account | | | | | | | | | |
|------|----------|---|--------------------------------------|-------------------------------------|--|-----------------------------------|---|--------------------------------------|---|-----------------------|---------------------------------------|
| Year | Male Age | (1) Beginning of Year Value of Account | (2) Annual Deposit to the Account | (3) Beginning of Year Cost Basis | (4) Beginning of Year Before Tax Withdrawal | (5) Gain in Contract Withdrawn | (6) Taxable Portion of Withdrawal Column (5) | (7) After Tax Value of Column (6) | (8) Tax Free Portion of Withdrawal (4) - (5) | (9) Ending Balance | (10) After Tax Cash Flow (7) + (8) |
| 1 | 45 | 0 | 25,000 | 25,000 | 0 | 0 | 0 | 0 | 0 | 26,750 | 0 |
| 2 | 46 | 26,750 | 25,000 | 50,000 | 0 | 0 | 0 | 0 | 0 | 55,373 | 0 |
| 3 | 47 | 55,373 | 25,000 | 75,000 | 0 | 0 | 0 | 0 | 0 | 85,999 | 0 |
| 4 | 48 | 85,999 | 25,000 | 100,000 | 0 | 0 | 0 | 0 | 0 | 118,769 | 0 |
| 5 | 49 | 118,769 | 25,000 | 125,000 | 0 | 0 | 0 | 0 | 0 | 153,833 | 0 |
| 6 | 50 | 153,833 | 25,000 | 150,000 | 0 | 0 | 0 | 0 | 0 | 191,351 | 0 |
| 7 | 51 | 191,351 | 25,000 | 175,000 | 0 | 0 | 0 | 0 | 0 | 231,496 | 0 |
| 8 | 52 | 231,496 | 25,000 | 200,000 | 0 | 0 | 0 | 0 | 0 | 274,451 | 0 |
| 9 | 53 | 274,451 | 25,000 | 225,000 | 0 | 0 | 0 | 0 | 0 | 320,413 | 0 |
| 10 | 54 | 320,413 | 25,000 | 250,000 | 0 | 0 | 0 | 0 | 0 | 369,592 | 0 |
| 11 | 55 | 369,592 | 25,000 | 275,000 | 0 | 0 | 0 | 0 | 0 | 422,213 | 0 |
| 12 | 56 | 422,213 | 25,000 | 300,000 | 0 | 0 | 0 | 0 | 0 | 478,518 | 0 |
| 13 | 57 | 478,518 | 25,000 | 325,000 | 0 | 0 | 0 | 0 | 0 | 538,764 | 0 |
| 14 | 58 | 538,764 | 25,000 | 350,000 | 0 | 0 | 0 | 0 | 0 | 603,227 | 0 |
| 15 | 59 | 603,227 | 25,000 | 375,000 | 0 | 0 | 0 | 0 | 0 | 672,203 | 0 |
| 16 | 60 | 672,203 | 25,000 | 400,000 | 0 | 0 | 0 | 0 | 0 | 746,007 | 0 |
| 17 | 61 | 746,007 | 25,000 | 425,000 | 0 | 0 | 0 | 0 | 0 | 824,977 | 0 |
| 18 | 62 | 824,977 | 25,000 | 450,000 | 0 | 0 | 0 | 0 | 0 | 909,475 | 0 |
| 19 | 63 | 909,475 | 25,000 | 475,000 | 0 | 0 | 0 | 0 | 0 | 999,888 | 0 |
| 20 | 64 | 999,888 | 25,000 | 500,000 | 0 | 0 | 0 | 0 | 0 | 1,096,630 | 0 |
| 21 | 65 | 1,096,630 | 0 | 500,000 | 125,000 | 125,000 | 125,000 | 100,000 | 0 | 1,039,644 | 100,000 |
| 22 | 66 | 1,039,644 | 0 | 500,000 | 125,000 | 125,000 | 125,000 | 100,000 | 0 | 978,669 | 100,000 |
| 23 | 67 | 978,669 | 0 | 500,000 | 125,000 | 125,000 | 125,000 | 100,000 | 0 | 913,426 | 100,000 |
| 24 | 68 | 913,426 | 0 | 500,000 | 125,000 | 125,000 | 125,000 | 100,000 | 0 | 843,616 | 100,000 |
| 25 | 69 | 843,616 | 0 | 500,000 | 125,000 | 125,000 | 125,000 | 100,000 | 0 | 768,919 | 100,000 |
| 26 | 70 | 768,919 | 0 | 500,000 | 125,000 | 125,000 | 125,000 | 100,000 | 0 | 688,993 | 100,000 |
| 27 | 71 | 688,993 | 0 | 500,000 | 125,000 | 125,000 | 125,000 | 100,000 | 0 | 603,473 | 100,000 |
| 28 | 72 | 603,473 | 0 | 500,000 | 120,695 | 103,473 | 103,473 | 82,778 | 17,222 | 516,572 | 100,000 |
| 29 | 73 | 516,572 | 0 | 482,778 | 106,759 | 33,794 | 33,794 | 27,035 | 72,965 | 438,500 | 100,000 |
| 30 | 74 | 438,500 | 0 | 409,813 | 105,737 | 28,687 | 28,687 | 22,949 | 77,051 | 356,056 | 100,000 |
| | | | 500,000 | | 1,208,191 | | 1,040,954 | 832,762 | 167,238 | | 1,000,000 |

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Tax Deferred Account

Tax Deferred Account Yield 7.00%
 Income Tax Rate 40.00% for 20 Years, 20.00% Thereafter
 Initial Payment 25,000

| Tax Deferred Account | | | | | | | | | | | |
|----------------------|----------|---|--------------------------------------|-------------------------------------|--|-----------------------------------|---|--------------------------------------|---|-----------------------|---------------------------------------|
| Year | Male Age | (1) Beginning of Year Value of Account | (2) Annual Deposit to the Account | (3) Beginning of Year Cost Basis | (4) Beginning of Year Before Tax Withdrawal | (5) Gain in Contract Withdrawn | (6) Taxable Portion of Withdrawal Column (5) | (7) After Tax Value of Column (6) | (8) Tax Free Portion of Withdrawal (4) - (5) | (9) Ending Balance | (10) After Tax Cash Flow (7) + (8) |
| 31 | 75 | 356,056 | 0 | 332,763 | 104,659 | 23,293 | 23,293 | 18,635 | 81,365 | 268,995 | 100,000 |
| 32 | 76 | 268,995 | 0 | 251,397 | 103,520 | 17,598 | 17,598 | 14,078 | 85,922 | 177,058 | 100,000 |
| 33 | 77 | 177,058 | 0 | 165,475 | 102,317 | 11,583 | 11,583 | 9,266 | 90,734 | 79,973 | 100,000 |
| 34 | 78 | 79,973 | 0 | 74,741 | 79,973 | 5,232 | 5,232 | 4,185 | 74,741 | 0 | 78,927 |
| 35 | 79 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36 | 80 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37 | 81 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | 82 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39 | 83 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 | 84 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41 | 85 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42 | 86 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43 | 87 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44 | 88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 | 89 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46 | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47 | 91 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 48 | 92 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49 | 93 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50 | 94 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | <hr/> | | <hr/> | | <hr/> | | <hr/> | | <hr/> | |
| | | 500,000 | | 1,598,660 | | 1,098,660 | | 878,926 | | 500,000 | |
| | | | | | | | | | | 1,378,927 | |

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Equity Account Details

| | | Equity Account Growth 7.00% | Equity Account Dividend 2.00% | Dividend Tax Rate 25.00% | Income Tax Rate 40.00% in yrs 1-20 20.00% thereafter | Composite Capital Gains Tax Rate* 29.50% in yrs 1-20 23.50% thereafter | | | | |
|------|----------|--|----------------------------------|-----------------------------|--|--|--|-------------------------------------|--|-------------------------------------|
| Year | Male Age | (1) Beginning of Year Account Value | (2) Annual Deposit | (3) Sale of Equities | (4) Capital Growth | (5) After Tax Reinvested Dividends | (6)** Net Year End Value of Account | (7) After Tax Dividend Cash Flow | (8) After Tax Cash Flow from Equity Sales | (9) Combined After Tax Cash Flow |
| 1 | 45 | 0 | 25,000 | 0 | 1,750 | 375 | 26,718 | 0 | 0 | 0 |
| 2 | 46 | 26,718 | 25,000 | 0 | 3,620 | 776 | 55,272 | 0 | 0 | 0 |
| 3 | 47 | 55,272 | 25,000 | 0 | 5,619 | 1,204 | 85,789 | 0 | 0 | 0 |
| 4 | 48 | 85,789 | 25,000 | 0 | 7,755 | 1,662 | 118,403 | 0 | 0 | 0 |
| 5 | 49 | 118,403 | 25,000 | 0 | 10,038 | 2,151 | 153,258 | 0 | 0 | 0 |
| 6 | 50 | 153,258 | 25,000 | 0 | 12,478 | 2,674 | 190,509 | 0 | 0 | 0 |
| 7 | 51 | 190,509 | 25,000 | 0 | 15,086 | 3,233 | 230,321 | 0 | 0 | 0 |
| 8 | 52 | 230,321 | 25,000 | 0 | 17,872 | 3,830 | 272,868 | 0 | 0 | 0 |
| 9 | 53 | 272,868 | 25,000 | 0 | 20,851 | 4,468 | 318,339 | 0 | 0 | 0 |
| 10 | 54 | 318,339 | 25,000 | 0 | 24,034 | 5,150 | 366,935 | 0 | 0 | 0 |
| 11 | 55 | 366,935 | 25,000 | 0 | 27,435 | 5,879 | 418,870 | 0 | 0 | 0 |
| 12 | 56 | 418,870 | 25,000 | 0 | 31,071 | 6,658 | 474,375 | 0 | 0 | 0 |
| 13 | 57 | 474,375 | 25,000 | 0 | 34,956 | 7,491 | 533,695 | 0 | 0 | 0 |
| 14 | 58 | 533,695 | 25,000 | 0 | 39,109 | 8,380 | 597,091 | 0 | 0 | 0 |
| 15 | 59 | 597,091 | 25,000 | 0 | 43,546 | 9,331 | 664,843 | 0 | 0 | 0 |
| 16 | 60 | 664,843 | 25,000 | 0 | 48,289 | 10,348 | 737,253 | 0 | 0 | 0 |
| 17 | 61 | 737,253 | 25,000 | 0 | 53,358 | 11,434 | 814,639 | 0 | 0 | 0 |
| 18 | 62 | 814,639 | 25,000 | 0 | 58,775 | 12,595 | 897,344 | 0 | 0 | 0 |
| 19 | 63 | 897,344 | 25,000 | 0 | 64,564 | 13,835 | 985,732 | 0 | 0 | 0 |
| 20 | 64 | 985,732 | 25,000 | 0 | 70,751 | 15,161 | 1,080,194 | 0 | 0 | 0 |
| 21 | 65 | 1,080,194 | 0 | 94,544 | 68,996 | 0 | 1,038,826 | 14,785 | 85,215 | 100,000 |
| 22 | 66 | 1,038,826 | 0 | 96,001 | 65,998 | 0 | 993,691 | 14,142 | 85,858 | 100,000 |
| 23 | 67 | 993,691 | 0 | 97,504 | 62,733 | 0 | 944,536 | 13,443 | 86,557 | 100,000 |
| 24 | 68 | 944,536 | 0 | 99,062 | 59,183 | 0 | 891,087 | 12,682 | 87,318 | 100,000 |
| 25 | 69 | 891,087 | 0 | 100,680 | 55,328 | 0 | 833,049 | 11,856 | 88,144 | 100,000 |
| 26 | 70 | 833,049 | 0 | 102,365 | 51,148 | 0 | 770,105 | 10,960 | 89,040 | 100,000 |
| 27 | 71 | 770,105 | 0 | 104,123 | 46,619 | 0 | 701,912 | 9,990 | 90,010 | 100,000 |
| 28 | 72 | 701,912 | 0 | 105,962 | 41,717 | 0 | 628,102 | 8,939 | 91,061 | 100,000 |
| 29 | 73 | 628,102 | 0 | 107,891 | 36,415 | 0 | 548,277 | 7,803 | 92,197 | 100,000 |
| 30 | 74 | 548,277 | 0 | 109,917 | 30,685 | 0 | 462,009 | 6,575 | 93,425 | 100,000 |
| | | | 500,000 | 1,018,049 | 1,109,779 | 126,635 | | 111,175 | 888,825 | 1,000,000 |

*The composite capital gains tax rate includes 30.00% short-term gains subject to ordinary income tax and 70.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 25.00%

Income Tax: 40.00% in yrs 1-20; 20.00% thereafter

**Column (6) is reduced by a 1.50% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Indexed Universal Life vs. Various Financial Alternatives

Presented By: [Licensed user's name appears here]

Insured: Ron Grove

Equity Account Details

| | | Equity Account Growth 7.00% | Equity Account Dividend 2.00% | Dividend Tax Rate 25.00% | Income Tax Rate 40.00% in yrs 1-20 20.00% thereafter | Composite Capital Gains Tax Rate* 29.50% in yrs 1-20 23.50% thereafter | | | | |
|------|----------|--|----------------------------------|-----------------------------|--|--|--|-------------------------------------|--|-------------------------------------|
| Year | Male Age | (1) Beginning of Year Account Value | (2) Annual Deposit | (3) Sale of Equities | (4) Capital Growth | (5) After Tax Reinvested Dividends | (6)** Net Year End Value of Account | (7) After Tax Dividend Cash Flow | (8) After Tax Cash Flow from Equity Sales | (9) Combined After Tax Cash Flow |
| 31 | 75 | 462,009 | 0 | 112,051 | 24,497 | 0 | 368,838 | 5,249 | 94,751 | 100,000 |
| 32 | 76 | 368,838 | 0 | 114,301 | 17,818 | 0 | 268,270 | 3,818 | 96,182 | 100,000 |
| 33 | 77 | 268,270 | 0 | 116,679 | 10,611 | 0 | 159,769 | 2,274 | 97,726 | 100,000 |
| 34 | 78 | 159,769 | 0 | 119,195 | 2,840 | 0 | 42,763 | 609 | 99,391 | 100,000 |
| 35 | 79 | 42,763 | 0 | 42,763 | 0 | 0 | 0 | 0 | 35,507 | 35,507 |
| 36 | 80 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37 | 81 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | 82 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39 | 83 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 | 84 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41 | 85 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42 | 86 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43 | 87 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44 | 88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 | 89 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46 | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47 | 91 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 48 | 92 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49 | 93 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50 | 94 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | 500,000 | 1,523,038 | 1,165,545 | 126,635 | | 123,125 | 1,312,382 | 1,435,507 |

*The composite capital gains tax rate includes 30.00% short-term gains subject to ordinary income tax and 70.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 25.00%

Income Tax: 40.00% in yrs 1-20; 20.00% thereafter

**Column (6) is reduced by a 1.50% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Tax Calculations

The tax deferred investment illustrated in the accompanying material reflects after tax values. Since withdrawals are taxable until any gain is exhausted, account values are illustrated on an after tax basis.

The Tax Deferred Retirement Plan (TDRP) illustrated in the accompanying material reflects after tax values. Since all withdrawals are taxable, account values are illustrated on an after tax basis.

With equity accounts, dividends are taxed and the after tax balance is either reinvested or used for scheduled cash flow. Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

A cash value life insurance policy (that is not designed as a modified endowment contract*) is taxed on a first-in-first-out basis which means that withdrawals (also known as partial surrenders) have different taxation. Withdrawals up to cost basis are income-tax free; subsequent withdrawals are taxable. However, contractual loan provision in the policy allow you to access additional cash flow from the policy cash value which is income-tax free so long as the policy stays in force. This feature avoids the problem of taxable withdrawals in excess of cost basis. Interest on such loans can be added to the outstanding loan, and with most life insurance policies, the loan balance is credited with interest earnings at (or near) the level of the loan interest charged resulting in a wash (or near wash) of the loan interest. If the policy is kept in force until death, the policy death benefit, including any internal deferred gain, is income-tax free.

Policy loans reduce policy cash values and death benefits, and the lapse of a loaned policy could result in severe tax ramifications to the policy owner. Be sure to consult a professional tax adviser if you have any questions about this.

*With a life insurance policy that is characterized as a modified endowment contract ("MEC"), both withdrawals and loans are taxed on a gain first basis. In almost all circumstances, it is advisable to avoid purchasing a MEC, and the basic illustration that is provided to you from the issuing life insurance company should indicate if it is a MEC.

Legal and tax information is for general use only and may not be applicable to specific circumstances. Clients should consult their own legal, tax and accounting advisors to assist in the evaluation of any potential transaction or strategy.