

# Various Financial Alternatives

For: Tom Graves



Presented By: \_\_\_\_\_

[Licensed user's name appears here]

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## 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:

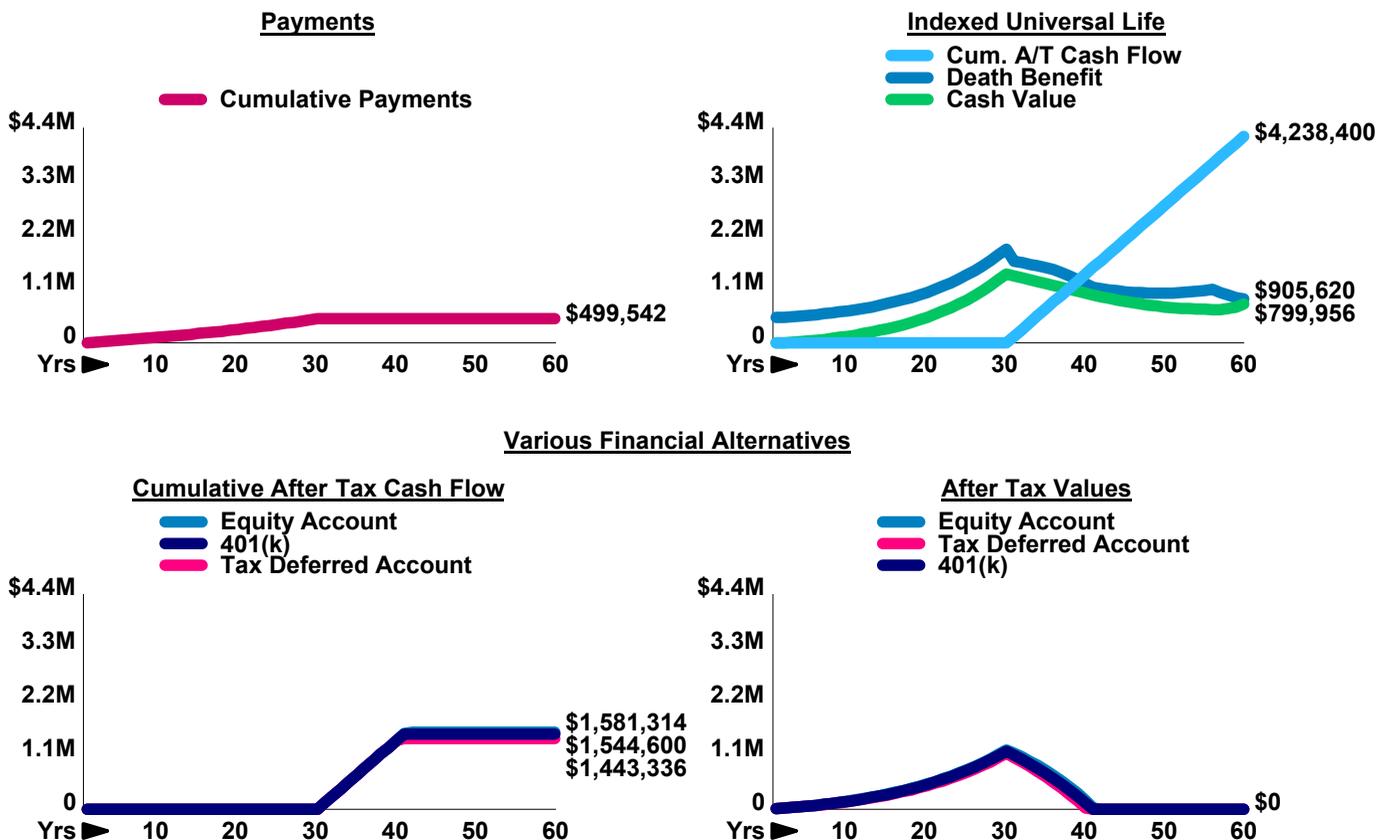
401(k);  
Tax Deferred Account;  
Equity Account.

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.

# Various Financial Alternatives vs. Indexed Universal Life

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Insured: Tom Graves

## Comparison of Values

401(k) Yield 6.85%    Tax Deferred Account Yield 6.85%    Equity Account Growth 6.85%    Equity Account Dividend 2.00%    Dividend Tax Rate 25.00%    Income Tax Rate 30.00%    Indexed UL Interest Rate 6.85%    Initial Death Benefit 513,647

### After Tax Values of Identical Allocation to Various Financial Alternatives

### Indexed UL

Yr	Male Age	(1)	(2a)	(2b)	(3a)	(3b)	(4a)	(4b)	(5a)	(5b)	(5c)	(5d)
		Life Insurance Premium	After Tax Cash Flow from 401(k)	Year End After Tax Value of 401(k) if Distributed	After Tax Cash Flow from Tax Deferred Account	Tax Deferred Account	After Tax Cash Flow from Equity Account	Equity Account	After Tax Policy Loan Proceeds	Year End Accum Value*	Year End Cash Value*	Death Benefit
1	35	10,500	0	11,108	0	11,003	0	11,186	0	9,119	0	522,766
2	36	10,815	0	23,190	0	22,875	0	23,404	0	19,180	7,931	532,827
3	37	11,139	0	36,313	0	35,677	0	36,708	0	30,311	19,175	543,958
4	38	11,474	0	50,550	0	49,478	0	51,163	0	42,607	31,584	556,254
5	39	11,818	0	65,974	0	64,349	0	66,840	0	56,174	45,275	569,821
6	40	12,172	0	82,664	0	80,367	0	83,816	0	71,110	60,333	584,757
7	41	12,538	0	100,706	0	97,615	0	102,177	0	87,521	76,873	601,168
8	42	12,914	0	120,189	0	116,182	0	122,015	0	105,521	96,645	619,168
9	43	13,301	0	141,207	0	136,160	0	143,426	0	125,232	118,133	638,879
10	44	13,700	0	163,862	0	157,652	0	166,514	0	147,381	142,060	661,028
11	45	14,111	0	188,263	0	180,765	0	191,389	0	171,638	168,088	685,285
12	46	14,534	0	214,521	0	205,615	0	218,169	0	198,197	196,424	711,844
13	47	14,970	0	242,759	0	232,325	0	246,977	0	227,997	227,997	741,644
14	48	15,420	0	273,106	0	261,029	0	277,948	0	260,571	260,571	774,218
15	49	15,882	0	305,697	0	291,866	0	311,219	0	296,129	296,129	809,776
16	50	16,359	0	340,675	0	324,990	0	346,941	0	334,878	334,878	848,525
17	51	16,849	0	378,195	0	360,559	0	385,272	0	377,110	377,110	890,757
18	52	17,355	0	418,418	0	398,749	0	426,379	0	423,129	423,129	936,776
19	53	17,876	0	461,518	0	439,743	0	470,440	0	473,257	473,257	986,904
20	54	18,412	0	507,677	0	483,741	0	517,644	0	527,850	527,850	1,041,497
21	55	18,964	0	557,089	0	530,953	0	568,192	0	587,291	587,291	1,100,938
22	56	19,533	0	609,959	0	581,605	0	622,295	0	651,997	651,997	1,165,644
23	57	20,119	0	666,506	0	635,939	0	680,180	0	722,406	722,406	1,236,053
24	58	20,723	0	726,961	0	694,215	0	742,087	0	798,988	798,988	1,312,635
25	59	21,344	0	791,568	0	756,708	0	808,267	0	882,246	882,246	1,395,893
26	60	21,985	0	860,588	0	823,715	0	878,991	0	972,600	972,600	1,486,247
27	61	22,644	0	934,297	0	895,551	0	954,544	0	1,070,495	1,070,495	1,584,142
28	62	23,324	0	1,012,986	0	972,554	0	1,035,228	0	1,176,527	1,176,527	1,690,174
29	63	24,023	0	1,096,964	0	1,055,085	0	1,121,364	0	1,291,337	1,291,337	1,804,984
30	64	24,744	0	1,186,560	0	1,143,532	0	1,213,292	0	1,415,615	1,415,615	1,929,262
		499,542	0		0		0		0			

See the accompanying reports for year-by-year details:

- Equity Account Details; Portfolio Turnover Details
- Tax Deferred Account
- Tax Deductible Retirement Plan (TDRP) Details

Management fees reflected in columns (2b) & (4b):

401k = 1.00%, EQ = 1.00%

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.

# Various Financial Alternatives vs. Indexed Universal Life

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Insured: Tom Graves

## Comparison of Values

401(k) Yield 6.85%	Tax Deferred Account Yield 6.85%	Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 30.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 513,647
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### After Tax Values of Identical Allocation to Various Financial Alternatives

### Indexed UL

Yr	Male Age	(1)	(2a)	(2b)	(3a)	(3b)	(4a)	(4b)	(5a)	(5b)	(5c)	(5d)
		Life Insurance Premium	After Tax Cash Flow from 401(k)	Year End After Tax Value of 401(k) if Distributed	After Tax Cash Flow from Tax Deferred Account	Tax Deferred Account	After Tax Cash Flow from Equity Account	Equity Account	After Tax Policy Loan Proceeds	Year End Accum Value*	Year End Cash Value*	Death Benefit
31	65	0	141,280	1,105,713	141,280	1,060,640	141,280	1,145,028	141,280	1,523,795	1,376,795	1,681,554
32	66	0	141,280	1,020,192	141,280	972,071	141,280	1,069,401	141,280	1,638,774	1,337,424	1,648,791
33	67	0	141,280	929,726	141,280	877,434	141,280	986,352	141,280	1,761,021	1,297,604	1,614,588
34	68	0	141,280	834,030	141,280	776,315	141,280	895,765	141,280	1,891,010	1,257,421	1,578,893
35	69	0	141,280	732,801	141,280	668,269	141,280	797,468	141,280	2,029,260	1,216,992	1,541,674
36	70	0	141,280	625,720	141,280	552,823	141,280	691,232	141,280	2,176,315	1,176,433	1,502,881
37	71	0	141,280	512,448	141,280	431,276	141,280	576,781	141,280	2,333,001	1,136,126	1,439,416
38	72	0	141,280	392,626	141,280	303,901	141,280	453,787	141,280	2,500,043	1,096,324	1,371,329
39	73	0	141,280	265,877	141,280	170,419	141,280	321,874	141,280	2,678,249	1,057,344	1,298,386
40	74	0	141,280	131,800	141,280	30,536	141,280	180,618	141,280	2,868,510	1,019,560	1,220,356
41	75	0	131,800	0	30,536	0	141,280	29,549	141,280	3,071,827	983,429	1,137,020
42	76	0	0	0	0	0	27,234	0	141,280	3,288,306	948,489	1,112,904
43	77	0	0	0	0	0	0	0	141,280	3,518,796	914,987	1,090,927
44	78	0	0	0	0	0	0	0	141,280	3,764,179	883,180	1,071,389
45	79	0	0	0	0	0	0	0	141,280	4,025,403	853,354	1,054,624
46	80	0	0	0	0	0	0	0	141,280	4,303,397	825,746	1,040,916
47	81	0	0	0	0	0	0	0	141,280	4,598,992	800,458	1,030,408
48	82	0	0	0	0	0	0	0	141,280	4,913,175	777,714	1,023,373
49	83	0	0	0	0	0	0	0	141,280	5,246,928	757,694	1,020,041
50	84	0	0	0	0	0	0	0	141,280	5,601,187	740,492	1,020,551
51	85	0	0	0	0	0	0	0	141,280	5,976,851	726,121	1,024,964
52	86	0	0	0	0	0	0	0	141,280	6,374,808	714,542	1,033,282
53	87	0	0	0	0	0	0	0	141,280	6,795,783	705,503	1,045,293
54	88	0	0	0	0	0	0	0	141,280	7,240,134	698,340	1,060,347
55	89	0	0	0	0	0	0	0	141,280	7,708,214	692,331	1,077,741
56	90	0	0	0	0	0	0	0	141,280	8,200,054	686,376	1,096,379
57	91	0	0	0	0	0	0	0	141,280	8,725,724	689,363	1,038,392
58	92	0	0	0	0	0	0	0	141,280	9,290,428	705,248	983,961
59	93	0	0	0	0	0	0	0	141,280	9,901,086	739,647	937,669
60	94	0	0	0	0	0	0	0	141,280	10,566,466	799,956	905,620
		499,542	1,544,600		1,443,336		1,581,314		4,238,400			

See the accompanying reports for year-by-year details:  
 Equity Account Details; Portfolio Turnover Details  
 Tax Deferred Account  
 Tax Deductible Retirement Plan (TDRP) Details

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.

Management fees reflected in columns (2b) & (4b):  
 401k = 1.00%, EQ = 1.00%

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

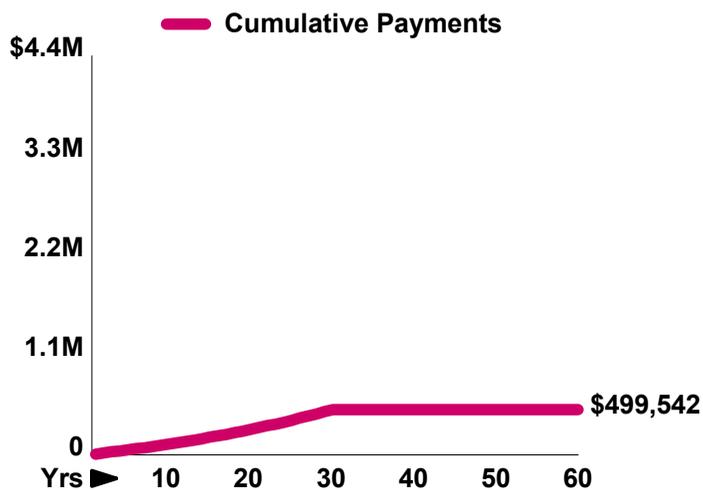
# Various Financial Alternatives vs. Indexed Universal Life

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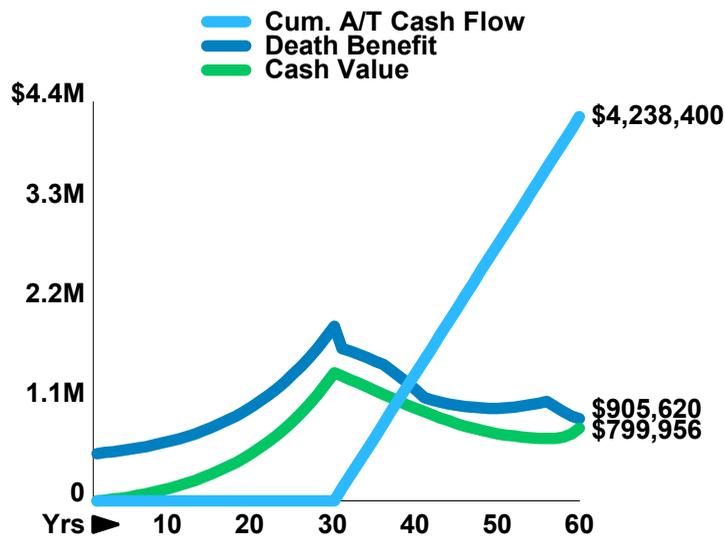
Insured: Tom Graves

## 60 Year Analysis

### Payments

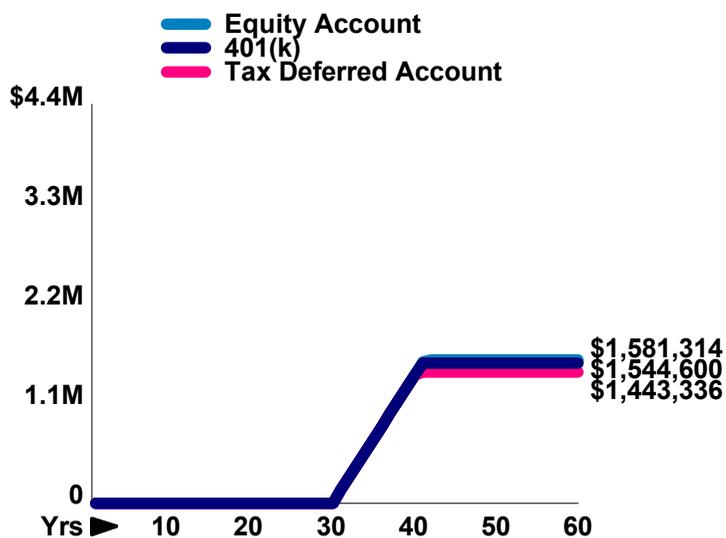


### Indexed Universal Life

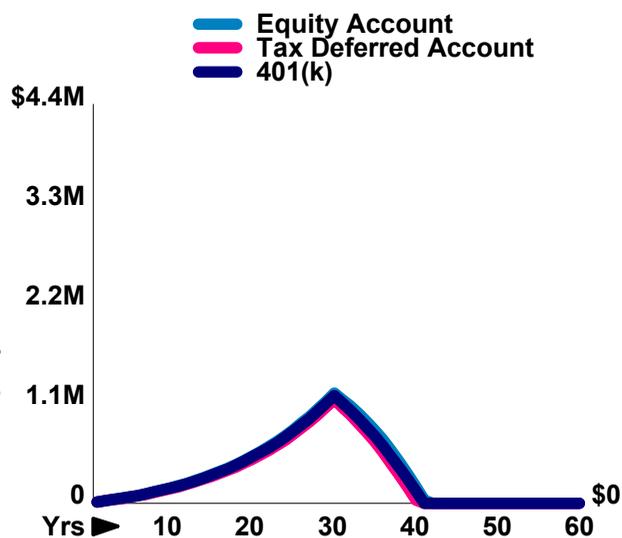


## Various Financial Alternatives

### Cumulative After Tax Cash Flow



### After Tax Values



# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Details of the 401(k)

401(k) Yield 6.85%  
Income Tax Rate 30.00%

Year	Male Age	(1) Tax Deductible Deposits to the 401(k)	(2) After Tax Equivalent of 401(k) Deposit	(3) After Tax Withdrawal from the 401(k)*	(4) Year End Value of 401(k)	(5) Year End Value of 401(k) if Distributed	(6) After Tax Death Benefit of 401(k)
1	35	15,000	10,500	0	15,868	11,108	11,108
2	36	15,450	10,815	0	33,128	23,190	23,190
3	37	15,913	11,139	0	51,876	36,313	36,313
4	38	16,391	11,474	0	72,214	50,550	50,550
5	39	16,883	11,818	0	94,248	65,974	65,974
6	40	17,389	12,172	0	118,091	82,664	82,664
7	41	17,911	12,538	0	143,865	100,706	100,706
8	42	18,449	12,914	0	171,698	120,189	120,189
9	43	19,001	13,301	0	201,724	141,207	141,207
10	44	19,571	13,700	0	234,089	163,862	163,862
11	45	20,159	14,111	0	268,947	188,263	188,263
12	46	20,763	14,534	0	306,459	214,521	214,521
13	47	21,386	14,970	0	346,799	242,759	242,759
14	48	22,029	15,420	0	390,152	273,106	273,106
15	49	22,689	15,882	0	436,710	305,697	305,697
16	50	23,370	16,359	0	486,679	340,675	340,675
17	51	24,070	16,849	0	540,278	378,195	378,195
18	52	24,793	17,355	0	597,740	418,418	418,418
19	53	25,537	17,876	0	659,311	461,518	461,518
20	54	26,303	18,412	0	725,253	507,677	507,677
21	55	27,091	18,964	0	795,841	557,089	557,089
22	56	27,904	19,533	0	871,370	609,959	609,959
23	57	28,741	20,119	0	952,151	666,506	666,506
24	58	29,604	20,723	0	1,038,515	726,961	726,961
25	59	30,491	21,344	0	1,130,811	791,568	791,568
26	60	31,407	21,985	0	1,229,412	860,588	860,588
27	61	32,349	22,644	0	1,334,710	934,297	934,297
28	62	33,320	23,324	0	1,447,123	1,012,986	1,012,986
29	63	34,319	24,023	0	1,567,092	1,096,964	1,096,964
30	64	35,349	24,744	0	1,695,086	1,186,560	1,186,560
		713,632	499,542	0			

Management fees reflected in column (4): 1.00%

### 30 Year Summary

	401(k)
After Tax Payments	499,542
After Tax Cash Flow	0
Living Values	1,186,560
Death Benefit	1,186,560

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

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

Tax on withdrawals. Entries in Column (2) are after tax.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Details of the 401(k)

401(k) Yield 6.85%  
Income Tax Rate 30.00%

Year	Male Age	(1) Tax Deductible Deposits to the 401(k)	(2) After Tax Equivalent of 401(k) Deposit	(3) After Tax Withdrawal from the 401(k)*	(4) Year End Value of 401(k)	(5) Year End Value of 401(k) if Distributed	(6) After Tax Death Benefit of 401(k)
31	65	0	0	141,280	1,579,590	1,105,713	1,105,713
32	66	0	0	141,280	1,457,417	1,020,192	1,020,192
33	67	0	0	141,280	1,328,180	929,726	929,726
34	68	0	0	141,280	1,191,471	834,030	834,030
35	69	0	0	141,280	1,046,859	732,801	732,801
36	70	0	0	141,280	893,886	625,720	625,720
37	71	0	0	141,280	732,068	512,448	512,448
38	72	0	0	141,280	560,894	392,626	392,626
39	73	0	0	141,280	379,824	265,877	265,877
40	74	0	0	141,280	188,286	131,800	131,800
41	75	0	0	131,800	0	0	0
42	76	0	0	0	0	0	0
43	77	0	0	0	0	0	0
44	78	0	0	0	0	0	0
45	79	0	0	0	0	0	0
46	80	0	0	0	0	0	0
47	81	0	0	0	0	0	0
48	82	0	0	0	0	0	0
49	83	0	0	0	0	0	0
50	84	0	0	0	0	0	0
51	85	0	0	0	0	0	0
52	86	0	0	0	0	0	0
53	87	0	0	0	0	0	0
54	88	0	0	0	0	0	0
55	89	0	0	0	0	0	0
56	90	0	0	0	0	0	0
57	91	0	0	0	0	0	0
58	92	0	0	0	0	0	0
59	93	0	0	0	0	0	0
60	94	0	0	0	0	0	0
		713,632	499,542	1,544,600			

Management fees reflected in column (4): 1.00%

### 60 Year Summary

	401(k)
After Tax Payments	499,542
After Tax Cash Flow	1,544,600
Living Values	0
Death Benefit	0

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

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

Tax on withdrawals. Entries in Column (2) are after tax.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Tax Deferred Account

Tax Deferred Account Yield 6.85%  
Income Tax Rate 30.00%  
Initial Payment 10,500

A Tax Deferred Account						
Year	Male Age	(1) Annual Deposit	(2) After Tax Cash Flow	(3) Gross Yield 6.85%	(4) Tax Deferred Ending Balance	(5) After Tax Values
1	35	10,500	0	719	11,219	11,003
2	36	10,815	0	1,509	23,543	22,875
3	37	11,139	0	2,376	37,058	35,677
4	38	11,474	0	3,324	51,856	49,478
5	39	11,818	0	4,362	68,036	64,349
6	40	12,172	0	5,494	85,702	80,367
7	41	12,538	0	6,729	104,969	97,615
8	42	12,914	0	8,075	125,958	116,182
9	43	13,301	0	9,539	148,798	136,160
10	44	13,700	0	11,131	173,629	157,652
11	45	14,111	0	12,860	200,600	180,765
12	46	14,534	0	14,737	229,871	205,615
13	47	14,970	0	16,772	261,613	232,325
14	48	15,420	0	18,977	296,010	261,029
15	49	15,882	0	21,365	333,257	291,866
16	50	16,359	0	23,949	373,565	324,990
17	51	16,849	0	26,743	417,157	360,559
18	52	17,355	0	29,764	464,276	398,749
19	53	17,876	0	33,027	515,179	439,743
20	54	18,412	0	36,551	570,142	483,741
21	55	18,964	0	40,354	629,460	530,953
22	56	19,533	0	44,456	693,449	581,605
23	57	20,119	0	48,879	762,447	635,939
24	58	20,723	0	53,647	836,817	694,215
25	59	21,344	0	58,784	916,945	756,708
26	60	21,985	0	64,317	1,003,247	823,715
27	61	22,644	0	70,274	1,096,165	895,551
28	62	23,324	0	76,685	1,196,174	972,554
29	63	24,023	0	83,583	1,303,780	1,055,085
30	64	24,744	0	91,004	1,419,528	1,143,532
		499,542	0			

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

### 30 Year Summary

	Tax Deferred Account
After Tax Payments	499,542
After Tax Cash Flow	0
Living Values	1,419,528
Death Benefit	1,143,532

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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Tax Deferred Account

Tax Deferred Account  
Yield 6.85%  
Income Tax Rate 30.00%  
Initial Payment 10,500

A Tax Deferred Account						
Year	Male Age	(1) Annual Deposit	(2) After Tax Cash Flow	(3) Gross Yield 6.85%	(4) Tax Deferred Ending Balance	(5) After Tax Values
31	65	0	141,280	83,412	1,301,111	1,060,640
32	66	0	141,280	75,301	1,174,583	972,071
33	67	0	141,280	66,634	1,039,388	877,434
34	68	0	141,280	57,373	894,932	776,315
35	69	0	141,280	47,478	740,581	668,269
36	70	0	141,280	36,905	575,657	552,823
37	71	0	141,280	28,191	439,733	431,276
38	72	0	141,280	19,865	309,861	303,901
39	73	0	141,280	11,140	173,761	170,419
40	74	0	141,280	1,996	31,135	30,536
41	75	0	30,536	0	0	0
42	76	0	0	0	0	0
43	77	0	0	0	0	0
44	78	0	0	0	0	0
45	79	0	0	0	0	0
46	80	0	0	0	0	0
47	81	0	0	0	0	0
48	82	0	0	0	0	0
49	83	0	0	0	0	0
50	84	0	0	0	0	0
51	85	0	0	0	0	0
52	86	0	0	0	0	0
53	87	0	0	0	0	0
54	88	0	0	0	0	0
55	89	0	0	0	0	0
56	90	0	0	0	0	0
57	91	0	0	0	0	0
58	92	0	0	0	0	0
59	93	0	0	0	0	0
60	94	0	0	0	0	0
		<b>499,542</b>	<b>1,443,336</b>			

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

### 60 Year Summary

	Tax Deferred Account
After Tax Payments	499,542
After Tax Cash Flow	1,443,336
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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Details of the Tax Deferred Account

Tax Deferred  
Account  
Yield  
6.85%

Income  
Tax Rate  
30.00%

Initial  
Payment  
10,500

A 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	35	0	10,500	10,500	0	0	0	0	0	11,219	0
2	36	11,219	10,815	21,315	0	0	0	0	0	23,543	0
3	37	23,543	11,139	32,454	0	0	0	0	0	37,058	0
4	38	37,058	11,474	43,928	0	0	0	0	0	51,856	0
5	39	51,856	11,818	55,746	0	0	0	0	0	68,036	0
6	40	68,036	12,172	67,918	0	0	0	0	0	85,702	0
7	41	85,702	12,538	80,456	0	0	0	0	0	104,969	0
8	42	104,969	12,914	93,370	0	0	0	0	0	125,958	0
9	43	125,958	13,301	106,671	0	0	0	0	0	148,798	0
10	44	148,798	13,700	120,371	0	0	0	0	0	173,629	0
11	45	173,629	14,111	134,482	0	0	0	0	0	200,600	0
12	46	200,600	14,534	149,016	0	0	0	0	0	229,871	0
13	47	229,871	14,970	163,986	0	0	0	0	0	261,613	0
14	48	261,613	15,420	179,406	0	0	0	0	0	296,010	0
15	49	296,010	15,882	195,288	0	0	0	0	0	333,257	0
16	50	333,257	16,359	211,647	0	0	0	0	0	373,565	0
17	51	373,565	16,849	228,496	0	0	0	0	0	417,157	0
18	52	417,157	17,355	245,851	0	0	0	0	0	464,276	0
19	53	464,276	17,876	263,727	0	0	0	0	0	515,179	0
20	54	515,179	18,412	282,139	0	0	0	0	0	570,142	0
21	55	570,142	18,964	301,103	0	0	0	0	0	629,460	0
22	56	629,460	19,533	320,636	0	0	0	0	0	693,449	0
23	57	693,449	20,119	340,755	0	0	0	0	0	762,447	0
24	58	762,447	20,723	361,478	0	0	0	0	0	836,817	0
25	59	836,817	21,344	382,822	0	0	0	0	0	916,945	0
26	60	916,945	21,985	404,807	0	0	0	0	0	1,003,247	0
27	61	1,003,247	22,644	427,451	0	0	0	0	0	1,096,165	0
28	62	1,096,165	23,324	450,775	0	0	0	0	0	1,196,174	0
29	63	1,196,174	24,023	474,798	0	0	0	0	0	1,303,780	0
30	64	1,303,780	24,744	499,542	0	0	0	0	0	1,419,528	0
			499,542		0		0	0	0		0

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Details of the Tax Deferred Account

Tax Deferred Account Yield 6.85%  
 Income Tax Rate 30.00%  
 Initial Payment 10,500

A 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	65	1,419,528	0	499,542	201,829	201,829	201,829	141,280	0	1,301,111	141,280
32	66	1,301,111	0	499,542	201,829	201,829	201,829	141,280	0	1,174,583	141,280
33	67	1,174,583	0	499,542	201,829	201,829	201,829	141,280	0	1,039,388	141,280
34	68	1,039,388	0	499,542	201,829	201,829	201,829	141,280	0	894,932	141,280
35	69	894,932	0	499,542	201,829	201,829	201,829	141,280	0	740,581	141,280
36	70	740,581	0	499,542	201,829	201,829	201,829	141,280	0	575,657	141,280
37	71	575,657	0	499,542	164,115	76,115	76,115	53,281	88,000	439,733	141,280
38	72	439,733	0	411,543	149,737	28,191	28,191	19,733	121,547	309,861	141,280
39	73	309,861	0	289,996	147,240	19,865	19,865	13,906	127,374	173,761	141,280
40	74	173,761	0	162,621	144,622	11,140	11,140	7,798	133,482	31,135	141,280
41	75	31,135	0	29,139	31,135	1,996	1,996	1,397	29,139	0	30,536
42	76	0	0	0	0	0	0	0	0	0	0
43	77	0	0	0	0	0	0	0	0	0	0
44	78	0	0	0	0	0	0	0	0	0	0
45	79	0	0	0	0	0	0	0	0	0	0
46	80	0	0	0	0	0	0	0	0	0	0
47	81	0	0	0	0	0	0	0	0	0	0
48	82	0	0	0	0	0	0	0	0	0	0
49	83	0	0	0	0	0	0	0	0	0	0
50	84	0	0	0	0	0	0	0	0	0	0
51	85	0	0	0	0	0	0	0	0	0	0
52	86	0	0	0	0	0	0	0	0	0	0
53	87	0	0	0	0	0	0	0	0	0	0
54	88	0	0	0	0	0	0	0	0	0	0
55	89	0	0	0	0	0	0	0	0	0	0
56	90	0	0	0	0	0	0	0	0	0	0
57	91	0	0	0	0	0	0	0	0	0	0
58	92	0	0	0	0	0	0	0	0	0	0
59	93	0	0	0	0	0	0	0	0	0	0
60	94	0	0	0	0	0	0	0	0	0	0
			499,542		1,847,823		1,348,281	943,795	499,542		1,443,336

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Equity Account Details

Equity Account Growth 6.85%    Equity Account Dividend 2.00%    Dividend Tax Rate 25.00%    Income Tax Rate 30.00%    Composite Capital Gains Tax Rate\* 27.00%    Turnover Assumption 40.00% for 30 yrs 10.00% thereafter

Yr	Male Age	(1) Beginning of Year Account Value	(2) Annual Deposit	(3) Sale of Equities	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Year End Value of Account Before Turnover	(7)** Year End Value of Account After Turnover	(8) After Tax Dividend Cash Flow	(9) After Tax Cash Flow from Equity Sales	(10) Combined After Tax Cash Flow
1	35	0	10,500	0	719	158	11,377	11,186	0	0	0
2	36	11,186	10,815	0	1,507	330	23,838	23,404	0	0	0
3	37	23,404	11,139	0	2,366	518	37,427	36,708	0	0	0
4	38	36,708	11,474	0	3,300	723	52,205	51,163	0	0	0
5	39	51,163	11,818	0	4,314	945	68,240	66,840	0	0	0
6	40	66,840	12,172	0	5,412	1,185	85,609	83,816	0	0	0
7	41	83,816	12,538	0	6,600	1,445	104,399	102,177	0	0	0
8	42	102,177	12,914	0	7,884	1,726	124,701	122,015	0	0	0
9	43	122,015	13,301	0	9,269	2,030	146,615	143,426	0	0	0
10	44	143,426	13,700	0	10,763	2,357	170,246	166,514	0	0	0
11	45	166,514	14,111	0	12,373	2,709	195,707	191,389	0	0	0
12	46	191,389	14,534	0	14,106	3,089	223,118	218,169	0	0	0
13	47	218,169	14,970	0	15,970	3,497	252,606	246,977	0	0	0
14	48	246,977	15,420	0	17,974	3,936	284,307	277,948	0	0	0
15	49	277,948	15,882	0	20,127	4,407	318,364	311,219	0	0	0
16	50	311,219	16,359	0	22,439	4,914	354,931	346,941	0	0	0
17	51	346,941	16,849	0	24,920	5,457	394,167	385,272	0	0	0
18	52	385,272	17,355	0	27,580	6,039	436,246	426,379	0	0	0
19	53	426,379	17,876	0	30,431	6,664	481,350	470,440	0	0	0
20	54	470,440	18,412	0	33,486	7,333	529,671	517,644	0	0	0
21	55	517,644	18,964	0	36,758	8,049	581,415	568,192	0	0	0
22	56	568,192	19,533	0	40,259	8,816	636,800	622,295	0	0	0
23	57	622,295	20,119	0	44,005	9,636	696,055	680,180	0	0	0
24	58	680,180	20,723	0	48,012	10,514	759,429	742,087	0	0	0
25	59	742,087	21,344	0	52,295	11,451	827,177	808,267	0	0	0
26	60	808,267	21,985	0	56,872	12,454	899,578	878,991	0	0	0
27	61	878,991	22,644	0	61,762	13,525	976,922	954,544	0	0	0
28	62	954,544	23,324	0	66,984	14,668	1,059,520	1,035,228	0	0	0
29	63	1,035,228	24,023	0	72,559	15,889	1,147,699	1,121,364	0	0	0
30	64	1,121,364	24,744	0	78,508	17,192	1,241,808	1,213,292	0	0	0
			499,542	0	829,554	181,656			0	0	0

\*The composite capital gains tax rate includes 40.00% short-term gains subject to ordinary income tax and 60.00% 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: 30.00%

\*\*Column (7) is reduced by a 1.00% management fee.

(To review turnover calculations, see the Details of Portfolio Turnover report.)

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

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Equity Account Details

Equity Account Growth 6.85%    Equity Account Dividend 2.00%    Dividend Tax Rate 25.00%    Income Tax Rate 30.00%    Composite Capital Gains Tax Rate\* 27.00%    Turnover Assumption 40.00% for 30 yrs 10.00% thereafter

Yr	Male Age	(1) Beginning of Year Account Value	(2) Annual Deposit	(3) Sale of Equities	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Year End Value of Account Before Turnover	(7)** Year End Value of Account After Turnover	(8) After Tax Dividend Cash Flow	(9) After Tax Cash Flow from Equity Sales	(10) Combined After Tax Cash Flow
31	65	1,213,292	0	127,199	74,397	0	1,160,490	1,145,028	16,291	124,989	141,280
32	66	1,145,028	0	129,667	69,552	0	1,084,913	1,069,401	15,230	126,050	141,280
33	67	1,069,401	0	132,097	64,205	0	1,001,509	986,352	14,059	127,221	141,280
34	68	986,352	0	134,510	58,351	0	910,193	895,765	12,777	128,503	141,280
35	69	895,765	0	136,925	51,981	0	810,821	797,468	11,383	129,897	141,280
36	70	797,468	0	139,361	45,080	0	703,187	691,232	9,872	131,408	141,280
37	71	691,232	0	141,836	37,634	0	587,030	576,781	8,241	133,039	141,280
38	72	576,781	0	144,365	29,621	0	462,037	453,787	6,486	134,794	141,280
39	73	453,787	0	146,964	21,017	0	327,840	321,874	4,602	136,678	141,280
40	74	321,874	0	149,649	11,797	0	184,022	180,618	2,583	138,697	141,280
41	75	180,618	0	152,435	1,931	0	30,114	29,549	422	140,858	141,280
42	76	29,549	0	29,549	0	0	0	0	0	27,234	27,234
43	77	0	0	0	0	0	0	0	0	0	0
44	78	0	0	0	0	0	0	0	0	0	0
45	79	0	0	0	0	0	0	0	0	0	0
46	80	0	0	0	0	0	0	0	0	0	0
47	81	0	0	0	0	0	0	0	0	0	0
48	82	0	0	0	0	0	0	0	0	0	0
49	83	0	0	0	0	0	0	0	0	0	0
50	84	0	0	0	0	0	0	0	0	0	0
51	85	0	0	0	0	0	0	0	0	0	0
52	86	0	0	0	0	0	0	0	0	0	0
53	87	0	0	0	0	0	0	0	0	0	0
54	88	0	0	0	0	0	0	0	0	0	0
55	89	0	0	0	0	0	0	0	0	0	0
56	90	0	0	0	0	0	0	0	0	0	0
57	91	0	0	0	0	0	0	0	0	0	0
58	92	0	0	0	0	0	0	0	0	0	0
59	93	0	0	0	0	0	0	0	0	0	0
60	94	0	0	0	0	0	0	0	0	0	0
			499,542	1,564,557	1,295,120	181,656			101,946	1,479,368	1,581,314

\*The composite capital gains tax rate includes 40.00% short-term gains subject to ordinary income tax and 60.00% 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: 30.00%

\*\*Column (7) is reduced by a 1.00% management fee.

(To review turnover calculations, see the Details of Portfolio Turnover report.)

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

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Equity Account Portfolio Turnover Details

		Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 30.00%	Composite Capital Gains Tax Rate* 27.00%	Turnover Assumption 40.00% for 30 yrs 10.00% thereafter					
Yr	Male Age	(1) Beginning of Year Cost Basis	(2) Annual Deposit to the Account	(3) Sale of Equities to Fund Cash Flow	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Account Value Before Turnover	(7) Adjusted Cost Basis	(8) Sale of Equities Caused by Turnover	(9) Cost Basis Used by Turnover	(10) After Tax Reinvested Turnover	(11)** Year End Value of Account After Turnover
1	35	0	10,500	0	719	158	11,377	10,658	4,551	4,263	4,473	11,186
2	36	10,868	10,815	0	1,507	330	23,838	22,013	9,535	8,805	9,338	23,404
3	37	22,546	11,139	0	2,366	518	37,427	34,202	14,971	13,681	14,623	36,708
4	38	35,144	11,474	0	3,300	723	52,205	47,341	20,882	18,937	20,357	51,163
5	39	48,762	11,818	0	4,314	945	68,240	61,524	27,296	24,610	26,571	66,840
6	40	63,485	12,172	0	5,412	1,185	85,609	76,842	34,244	30,737	33,297	83,816
7	41	79,402	12,538	0	6,600	1,445	104,399	93,385	41,760	37,354	40,570	102,177
8	42	96,601	12,914	0	7,884	1,726	124,701	111,241	49,880	44,497	48,427	122,015
9	43	115,172	13,301	0	9,269	2,030	146,615	130,502	58,646	52,201	56,906	143,426
10	44	135,207	13,700	0	10,763	2,357	170,246	151,265	68,098	60,506	66,048	166,514
11	45	156,807	14,111	0	12,373	2,709	195,707	173,627	78,283	69,451	75,898	191,389
12	46	180,074	14,534	0	14,106	3,089	223,118	197,697	89,247	79,079	86,502	218,169
13	47	205,120	14,970	0	15,970	3,497	252,606	223,588	101,042	89,435	97,908	246,977
14	48	232,061	15,420	0	17,974	3,936	284,307	251,416	113,723	100,567	110,171	277,948
15	49	261,021	15,882	0	20,127	4,407	318,364	281,309	127,346	112,524	123,344	311,219
16	50	292,130	16,359	0	22,439	4,914	354,931	313,403	141,972	125,361	137,487	346,941
17	51	325,529	16,849	0	24,920	5,457	394,167	347,835	157,667	139,134	152,663	385,272
18	52	361,364	17,355	0	27,580	6,039	436,246	384,758	174,498	153,903	168,938	426,379
19	53	399,792	17,876	0	30,431	6,664	481,350	424,332	192,540	169,733	186,382	470,440
20	54	440,982	18,412	0	33,486	7,333	529,671	466,727	211,868	186,691	205,070	517,644
21	55	485,106	18,964	0	36,758	8,049	581,415	512,119	232,566	204,848	225,082	568,192
22	56	532,354	19,533	0	40,259	8,816	636,800	560,703	254,720	224,281	246,501	622,295
23	57	582,923	20,119	0	44,005	9,636	696,055	612,678	278,422	245,071	269,417	680,180
24	58	637,024	20,723	0	48,012	10,514	759,429	668,262	303,772	267,304	293,925	742,087
25	59	694,882	21,344	0	52,295	11,451	827,177	727,677	330,871	291,071	320,125	808,267
26	60	756,731	21,985	0	56,872	12,454	899,578	791,170	359,831	316,468	348,123	878,991
27	61	822,825	22,644	0	61,762	13,525	976,922	858,994	390,769	343,598	378,033	954,544
28	62	893,429	23,324	0	66,984	14,668	1,059,520	931,421	423,808	372,568	409,973	1,035,228
29	63	968,826	24,023	0	72,559	15,889	1,147,699	1,008,738	459,080	403,495	444,072	1,121,364
30	64	1,049,315	24,744	0	78,508	17,192	1,241,808	1,091,251	496,723	436,500	480,463	1,213,292
		499,542										

\*The composite capital gains tax rate includes 40.00% short-term gains subject to ordinary income tax and 60.00% 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: 30.00%

\*\*Fees:

Column (11) is reduced by a 1.00% management fee.

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

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Equity Account Portfolio Turnover Details

Equity Account Growth 6.85%    Equity Account Dividend 2.00%    Dividend Tax Rate 25.00%    Income Tax Rate 30.00%    Composite Capital Gains Tax Rate\* 27.00%    Turnover Assumption 40.00% for 30 yrs 10.00% thereafter

Yr	Male Age	(1) Beginning of Year Cost Basis	(2) Annual Deposit to the Account	(3) Sale of Equities to Fund Cash Flow	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Account Value Before Turnover	(7) Adjusted Cost Basis	(8) Sale of Equities Caused by Turnover	(9) Cost Basis Used by Turnover	(10) After Tax Reinvested Turnover	(11)** Year End Value of Account After Turnover
31	65	1,135,213	0	127,199	74,397	0	1,160,490	1,016,200	116,049	101,620	112,153	1,145,028
32	66	1,026,733	0	129,667	69,552	0	1,084,913	910,462	108,491	91,046	103,781	1,069,401
33	67	923,197	0	132,097	64,205	0	1,001,509	809,160	100,151	80,916	94,957	986,352
34	68	823,201	0	134,510	58,351	0	910,193	710,941	91,019	71,094	85,639	895,765
35	69	725,486	0	136,925	51,981	0	810,821	614,589	81,082	61,459	75,784	797,468
36	70	628,914	0	139,361	45,080	0	703,187	519,009	70,319	51,901	65,346	691,232
37	71	532,454	0	141,836	37,634	0	587,030	423,198	58,703	42,320	54,280	576,781
38	72	435,158	0	144,365	29,621	0	462,037	326,240	46,204	32,624	42,537	453,787
39	73	336,153	0	146,964	21,017	0	327,840	227,286	32,784	22,729	30,069	321,874
40	74	234,627	0	149,649	11,797	0	184,022	125,542	18,402	12,554	16,823	180,618
41	75	129,811	0	152,435	1,931	0	30,114	20,255	3,011	2,026	2,745	29,549
42	76	20,975	0	29,549	0	0	0	0	0	0	0	0
43	77	0	0	0	0	0	0	0	0	0	0	0
44	78	0	0	0	0	0	0	0	0	0	0	0
45	79	0	0	0	0	0	0	0	0	0	0	0
46	80	0	0	0	0	0	0	0	0	0	0	0
47	81	0	0	0	0	0	0	0	0	0	0	0
48	82	0	0	0	0	0	0	0	0	0	0	0
49	83	0	0	0	0	0	0	0	0	0	0	0
50	84	0	0	0	0	0	0	0	0	0	0	0
51	85	0	0	0	0	0	0	0	0	0	0	0
52	86	0	0	0	0	0	0	0	0	0	0	0
53	87	0	0	0	0	0	0	0	0	0	0	0
54	88	0	0	0	0	0	0	0	0	0	0	0
55	89	0	0	0	0	0	0	0	0	0	0	0
56	90	0	0	0	0	0	0	0	0	0	0	0
57	91	0	0	0	0	0	0	0	0	0	0	0
58	92	0	0	0	0	0	0	0	0	0	0	0
59	93	0	0	0	0	0	0	0	0	0	0	0
60	94	0	0	0	0	0	0	0	0	0	0	0
		499,542										

\*The composite capital gains tax rate includes 40.00% short-term gains subject to ordinary income tax and 60.00% 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: 30.00%

\*\*Fees:

Column (11) is reduced by a 1.00% management fee.

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

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs

		401(k) Yield 6.85%	Tax Deferred Account Yield 6.85%	Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 30.00%	Indexed UL Interest Rate 6.85%		
		Various Financial Alternatives					Indexed UL*			
Year	Male Age	(1) Premium	(2) 401(k) Total Annual Costs	(3) 401(k) Cum. Total Costs	(4) Tax Deferred Account Total Annual Costs	(5) Tax Deferred Account Cum. Total Costs	(6) Equity Account Total Annual Costs	(7) Equity Account Cum. Total Costs	(8) Policy Total Annual Costs	(9) Policy Cum. Total Costs
1	35	10,500	160	160	0	0	243	243	2,089	2,089
2	36	10,815	335	495	0	0	541	784	2,199	4,288
3	37	11,139	524	1,019	0	0	888	1,672	2,268	6,556
4	38	11,474	729	1,748	0	0	1,278	2,950	2,336	8,892
5	39	11,818	952	2,700	0	0	1,708	4,658	2,401	11,293
6	40	12,172	1,193	3,893	0	0	2,180	6,838	2,480	13,773
7	41	12,538	1,453	5,346	0	0	2,693	9,531	2,570	16,343
8	42	12,914	1,734	7,080	0	0	3,249	12,780	2,674	19,017
9	43	13,301	2,038	9,118	0	0	3,851	16,631	2,793	21,810
10	44	13,700	2,365	11,483	0	0	4,501	21,132	2,374	24,184
11	45	14,111	2,717	14,200	0	0	5,202	26,334	2,451	26,635
12	46	14,534	3,096	17,296	0	0	5,957	32,291	2,513	29,148
13	47	14,970	3,503	20,799	0	0	6,770	39,061	1,861	31,009
14	48	15,420	3,941	24,740	0	0	7,643	46,704	1,917	32,926
15	49	15,882	4,411	29,151	0	0	8,583	55,287	1,994	34,920
16	50	16,359	4,916	34,067	0	0	9,592	64,879	2,112	37,032
17	51	16,849	5,457	39,524	0	0	10,676	75,555	2,206	39,238
18	52	17,355	6,038	45,562	0	0	11,838	87,393	2,287	41,525
19	53	17,876	6,660	52,222	0	0	13,083	100,476	2,362	43,887
20	54	18,412	7,326	59,548	0	0	14,418	114,894	2,420	46,307
21	55	18,964	8,039	67,587	0	0	15,849	130,743	2,466	48,773
22	56	19,533	8,802	76,389	0	0	17,381	148,124	2,495	51,268
23	57	20,119	9,618	86,007	0	0	19,019	167,143	2,519	53,787
24	58	20,723	10,490	96,497	0	0	20,772	187,915	2,543	56,330
25	59	21,344	11,422	107,919	0	0	22,646	210,561	2,568	58,898
26	60	21,985	12,418	120,337	0	0	24,649	235,210	2,714	61,612
27	61	22,644	13,482	133,819	0	0	26,789	261,999	2,989	64,601
28	62	23,324	14,617	148,436	0	0	29,076	291,075	3,284	67,885
29	63	24,023	15,829	164,265	0	0	31,518	322,593	3,598	71,483
30	64	24,744	17,122	181,387	0	0	34,124	356,717	3,936	75,419
		499,542	181,387		0		356,717		75,419	

### 30 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
401(k)	181,387	0	1,186,560	1,186,560
Tax Deferred Account	0	0	1,143,532	1,143,532
Equity Account	356,717	0	1,213,292	1,213,292
Indexed UL	75,419	0	1,415,615	1,929,262

\*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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs

		401(k) Yield 6.85%	Tax Deferred Account Yield 6.85%	Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 30.00%	Indexed UL Interest Rate 6.85%		
		Various Financial Alternatives					Indexed UL*			
Year	Male Age	(1) Premium	(2) 401(k) Total Annual Costs	(3) 401(k) Cum. Total Costs	(4) Tax Deferred Account Total Annual Costs	(5) Tax Deferred Account Cum. Total Costs	(6) Equity Account Total Annual Costs	(7) Equity Account Cum. Total Costs	(8) Policy Total Annual Costs	(9) Policy Cum. Total Costs
31	65	0	76,504	257,891	60,549	60,549	22,986	379,703	1,821	77,240
32	66	0	75,270	333,161	60,549	121,098	24,098	403,801	2,026	79,266
33	67	0	73,965	407,126	60,549	181,647	24,619	428,420	2,222	81,488
34	68	0	72,584	479,710	60,549	242,196	24,604	453,024	2,438	83,926
35	69	0	71,123	550,833	60,549	302,745	24,095	477,119	2,660	86,586
36	70	0	69,578	620,411	60,549	363,294	23,129	500,248	2,903	89,489
37	71	0	67,944	688,355	22,835	386,129	21,735	521,983	2,928	92,417
38	72	0	66,215	754,570	8,457	394,586	19,938	541,921	2,895	95,312
39	73	0	64,386	818,956	5,960	400,546	17,754	559,675	2,773	98,085
40	74	0	62,451	881,407	3,342	403,888	15,198	574,873	2,536	100,621
41	75	0	56,486	937,893	599	404,487	12,279	587,152	2,145	102,766
42	76	0	0	937,893	0	404,487	2,315	589,467	2,524	105,290
43	77	0	0	937,893	0	404,487	0	589,467	2,968	108,258
44	78	0	0	937,893	0	404,487	0	589,467	3,499	111,757
45	79	0	0	937,893	0	404,487	0	589,467	4,117	115,874
46	80	0	0	937,893	0	404,487	0	589,467	4,904	120,778
47	81	0	0	937,893	0	404,487	0	589,467	6,018	126,796
48	82	0	0	937,893	0	404,487	0	589,467	7,364	134,160
49	83	0	0	937,893	0	404,487	0	589,467	9,015	143,175
50	84	0	0	937,893	0	404,487	0	589,467	11,081	154,256
51	85	0	0	937,893	0	404,487	0	589,467	13,661	167,917
52	86	0	0	937,893	0	404,487	0	589,467	16,822	184,739
53	87	0	0	937,893	0	404,487	0	589,467	20,781	205,520
54	88	0	0	937,893	0	404,487	0	589,467	25,934	231,454
55	89	0	0	937,893	0	404,487	0	589,467	32,302	263,756
56	90	0	0	937,893	0	404,487	0	589,467	40,212	303,968
57	91	0	0	937,893	0	404,487	0	589,467	40,024	343,992
58	92	0	0	937,893	0	404,487	0	589,467	37,158	381,150
59	93	0	0	937,893	0	404,487	0	589,467	30,347	411,497
60	94	0	0	937,893	0	404,487	0	589,467	18,328	429,825
		499,542	937,893		404,487		589,467		429,825	

### 60 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
401(k)	937,893	1,544,600	0	0
Tax Deferred Account	404,487	1,443,336	0	0
Equity Account	589,467	1,581,314	0	0
Indexed UL	429,825	4,238,400	799,956	905,620

\*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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs - 401(k) vs. Indexed UL

401(k) Yield 6.85%    Income Tax Rate 30.00%    Indexed UL Interest Rate 6.85%    Initial Death Benefit 513,647

Year	Male Age	401(k)				Indexed UL*		
		(1) Premium	(2) Mgmt Fee	(3) Taxes	(4) 401(k) Total Annual Costs	(5) 401(k) Cum. Total Costs	(6) Policy Total Annual Costs	(7) Policy Cum. Total Costs
1	35	10,500	160	0	160	160	2,089	2,089
2	36	10,815	335	0	335	495	2,199	4,288
3	37	11,139	524	0	524	1,019	2,268	6,556
4	38	11,474	729	0	729	1,748	2,336	8,892
5	39	11,818	952	0	952	2,700	2,401	11,293
6	40	12,172	1,193	0	1,193	3,893	2,480	13,773
7	41	12,538	1,453	0	1,453	5,346	2,570	16,343
8	42	12,914	1,734	0	1,734	7,080	2,674	19,017
9	43	13,301	2,038	0	2,038	9,118	2,793	21,810
10	44	13,700	2,365	0	2,365	11,483	2,374	24,184
11	45	14,111	2,717	0	2,717	14,200	2,451	26,635
12	46	14,534	3,096	0	3,096	17,296	2,513	29,148
13	47	14,970	3,503	0	3,503	20,799	1,861	31,009
14	48	15,420	3,941	0	3,941	24,740	1,917	32,926
15	49	15,882	4,411	0	4,411	29,151	1,994	34,920
16	50	16,359	4,916	0	4,916	34,067	2,112	37,032
17	51	16,849	5,457	0	5,457	39,524	2,206	39,238
18	52	17,355	6,038	0	6,038	45,562	2,287	41,525
19	53	17,876	6,660	0	6,660	52,222	2,362	43,887
20	54	18,412	7,326	0	7,326	59,548	2,420	46,307
21	55	18,964	8,039	0	8,039	67,587	2,466	48,773
22	56	19,533	8,802	0	8,802	76,389	2,495	51,268
23	57	20,119	9,618	0	9,618	86,007	2,519	53,787
24	58	20,723	10,490	0	10,490	96,497	2,543	56,330
25	59	21,344	11,422	0	11,422	107,919	2,568	58,898
26	60	21,985	12,418	0	12,418	120,337	2,714	61,612
27	61	22,644	13,482	0	13,482	133,819	2,989	64,601
28	62	23,324	14,617	0	14,617	148,436	3,284	67,885
29	63	24,023	15,829	0	15,829	164,265	3,598	71,483
30	64	24,744	17,122	0	17,122	181,387	3,936	75,419
		499,542	181,387	0	181,387		75,419	

### 30 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
401(k)	181,387	0	1,186,560	1,186,560
Indexed UL	75,419	0	1,415,615	1,929,262

\*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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs - 401(k) vs. Indexed UL

		401(k) Yield 6.85%	Income Tax Rate 30.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 513,647			
		401(k)				Indexed UL*		
Year	Male Age	(1) Premium	(2) Mgmt Fee	(3) Taxes	(4) 401(k) Total Annual Costs	(5) 401(k) Cum. Total Costs	(6) Policy Total Annual Costs	(7) Policy Cum. Total Costs
31	65	0	15,955	60,549	76,504	257,891	1,821	77,240
32	66	0	14,721	60,549	75,270	333,161	2,026	79,266
33	67	0	13,416	60,549	73,965	407,126	2,222	81,488
34	68	0	12,035	60,549	72,584	479,710	2,438	83,926
35	69	0	10,574	60,549	71,123	550,833	2,660	86,586
36	70	0	9,029	60,549	69,578	620,411	2,903	89,489
37	71	0	7,395	60,549	67,944	688,355	2,928	92,417
38	72	0	5,666	60,549	66,215	754,570	2,895	95,312
39	73	0	3,837	60,549	64,386	818,956	2,773	98,085
40	74	0	1,902	60,549	62,451	881,407	2,536	100,621
41	75	0	0	56,486	56,486	937,893	2,145	102,766
42	76	0	0	0	0	937,893	2,524	105,290
43	77	0	0	0	0	937,893	2,968	108,258
44	78	0	0	0	0	937,893	3,499	111,757
45	79	0	0	0	0	937,893	4,117	115,874
46	80	0	0	0	0	937,893	4,904	120,778
47	81	0	0	0	0	937,893	6,018	126,796
48	82	0	0	0	0	937,893	7,364	134,160
49	83	0	0	0	0	937,893	9,015	143,175
50	84	0	0	0	0	937,893	11,081	154,256
51	85	0	0	0	0	937,893	13,661	167,917
52	86	0	0	0	0	937,893	16,822	184,739
53	87	0	0	0	0	937,893	20,781	205,520
54	88	0	0	0	0	937,893	25,934	231,454
55	89	0	0	0	0	937,893	32,302	263,756
56	90	0	0	0	0	937,893	40,212	303,968
57	91	0	0	0	0	937,893	40,024	343,992
58	92	0	0	0	0	937,893	37,158	381,150
59	93	0	0	0	0	937,893	30,347	411,497
60	94	0	0	0	0	937,893	18,328	429,825
		499,542	275,917	661,976	937,893		429,825	

### 60 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
401(k)	937,893	1,544,600	0	0
Indexed UL	429,825	4,238,400	799,956	905,620

\*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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs - Tax Deferred Account vs. Indexed UL

		Tax Deferred Account Yield 6.85%	Income Tax Rate 30.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 513,647			
		Tax Deferred Account			Indexed UL*			
Year	Male Age	(1) Premium	(2) Taxes	(3) Tax Deferred Account Total Annual Costs	(4) Tax Deferred Account Cum. Total Costs	(5) Policy Total Annual Costs	(6) Policy Cum. Total Costs	
1	35	10,500	0	0	0	2,089	2,089	
2	36	10,815	0	0	0	2,199	4,288	
3	37	11,139	0	0	0	2,268	6,556	
4	38	11,474	0	0	0	2,336	8,892	
5	39	11,818	0	0	0	2,401	11,293	
6	40	12,172	0	0	0	2,480	13,773	
7	41	12,538	0	0	0	2,570	16,343	
8	42	12,914	0	0	0	2,674	19,017	
9	43	13,301	0	0	0	2,793	21,810	
10	44	13,700	0	0	0	2,374	24,184	
11	45	14,111	0	0	0	2,451	26,635	
12	46	14,534	0	0	0	2,513	29,148	
13	47	14,970	0	0	0	1,861	31,009	
14	48	15,420	0	0	0	1,917	32,926	
15	49	15,882	0	0	0	1,994	34,920	
16	50	16,359	0	0	0	2,112	37,032	
17	51	16,849	0	0	0	2,206	39,238	
18	52	17,355	0	0	0	2,287	41,525	
19	53	17,876	0	0	0	2,362	43,887	
20	54	18,412	0	0	0	2,420	46,307	
21	55	18,964	0	0	0	2,466	48,773	
22	56	19,533	0	0	0	2,495	51,268	
23	57	20,119	0	0	0	2,519	53,787	
24	58	20,723	0	0	0	2,543	56,330	
25	59	21,344	0	0	0	2,568	58,898	
26	60	21,985	0	0	0	2,714	61,612	
27	61	22,644	0	0	0	2,989	64,601	
28	62	23,324	0	0	0	3,284	67,885	
29	63	24,023	0	0	0	3,598	71,483	
30	64	24,744	0	0	0	3,936	75,419	
		<b>499,542</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75,419</b>		

### 30 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
Tax Deferred Account	0	0	1,143,532	1,143,532
Indexed UL	75,419	0	1,415,615	1,929,262

\*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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs - Tax Deferred Account vs. Indexed UL

		Tax Deferred Account Yield 6.85%	Income Tax Rate 30.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 513,647			
		Tax Deferred Account			Indexed UL*			
Year	Male Age	(1) Premium	(2) Taxes	(3) Tax Deferred Account Total Annual Costs	(4) Tax Deferred Account Cum. Total Costs	(5) Policy Total Annual Costs	(6) Policy Cum. Total Costs	
31	65	0	60,549	60,549	60,549	1,821	77,240	
32	66	0	60,549	60,549	121,098	2,026	79,266	
33	67	0	60,549	60,549	181,647	2,222	81,488	
34	68	0	60,549	60,549	242,196	2,438	83,926	
35	69	0	60,549	60,549	302,745	2,660	86,586	
36	70	0	60,549	60,549	363,294	2,903	89,489	
37	71	0	22,835	22,835	386,129	2,928	92,417	
38	72	0	8,457	8,457	394,586	2,895	95,312	
39	73	0	5,960	5,960	400,546	2,773	98,085	
40	74	0	3,342	3,342	403,888	2,536	100,621	
41	75	0	599	599	404,487	2,145	102,766	
42	76	0	0	0	404,487	2,524	105,290	
43	77	0	0	0	404,487	2,968	108,258	
44	78	0	0	0	404,487	3,499	111,757	
45	79	0	0	0	404,487	4,117	115,874	
46	80	0	0	0	404,487	4,904	120,778	
47	81	0	0	0	404,487	6,018	126,796	
48	82	0	0	0	404,487	7,364	134,160	
49	83	0	0	0	404,487	9,015	143,175	
50	84	0	0	0	404,487	11,081	154,256	
51	85	0	0	0	404,487	13,661	167,917	
52	86	0	0	0	404,487	16,822	184,739	
53	87	0	0	0	404,487	20,781	205,520	
54	88	0	0	0	404,487	25,934	231,454	
55	89	0	0	0	404,487	32,302	263,756	
56	90	0	0	0	404,487	40,212	303,968	
57	91	0	0	0	404,487	40,024	343,992	
58	92	0	0	0	404,487	37,158	381,150	
59	93	0	0	0	404,487	30,347	411,497	
60	94	0	0	0	404,487	18,328	429,825	
		499,542	404,487	404,487		429,825		

### 60 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
Tax Deferred Account	404,487	1,443,336	0	0
Indexed UL	429,825	4,238,400	799,956	905,620

\*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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs - Equity Account vs. Indexed UL

Equity Account Growth 6.85%    Equity Account Dividend 2.00%    Dividend Tax Rate 25.00%    Income Tax Rate 30.00%    Composite Capital Gains Tax Rate 27.00%    Turnover Assumption 40.00% for 30 yrs 10.00% thereafter    Indexed UL Interest Rate 6.85%    Initial Death Benefit 513,647

Year	Male Age	Equity Account				Indexed UL*		
		(1) Premium	(2) Mgmt Fee	(3) Taxes	(4) Equity Account Total Annual Costs	(5) Equity Account Cum. Total Costs	(6) Policy Total Annual Costs	(7) Policy Cum. Total Costs
1	35	10,500	112	131	243	243	2,089	2,089
2	36	10,815	234	307	541	784	2,199	4,288
3	37	11,139	367	521	888	1,672	2,268	6,556
4	38	11,474	512	766	1,278	2,950	2,336	8,892
5	39	11,818	668	1,040	1,708	4,658	2,401	11,293
6	40	12,172	838	1,342	2,180	6,838	2,480	13,773
7	41	12,538	1,022	1,671	2,693	9,531	2,570	16,343
8	42	12,914	1,220	2,029	3,249	12,780	2,674	19,017
9	43	13,301	1,434	2,417	3,851	16,631	2,793	21,810
10	44	13,700	1,665	2,836	4,501	21,132	2,374	24,184
11	45	14,111	1,914	3,288	5,202	26,334	2,451	26,635
12	46	14,534	2,182	3,775	5,957	32,291	2,513	29,148
13	47	14,970	2,470	4,300	6,770	39,061	1,861	31,009
14	48	15,420	2,779	4,864	7,643	46,704	1,917	32,926
15	49	15,882	3,112	5,471	8,583	55,287	1,994	34,920
16	50	16,359	3,469	6,123	9,592	64,879	2,112	37,032
17	51	16,849	3,853	6,823	10,676	75,555	2,206	39,238
18	52	17,355	4,264	7,574	11,838	87,393	2,287	41,525
19	53	17,876	4,704	8,379	13,083	100,476	2,362	43,887
20	54	18,412	5,176	9,242	14,418	114,894	2,420	46,307
21	55	18,964	5,682	10,167	15,849	130,743	2,466	48,773
22	56	19,533	6,223	11,158	17,381	148,124	2,495	51,268
23	57	20,119	6,802	12,217	19,019	167,143	2,519	53,787
24	58	20,723	7,421	13,351	20,772	187,915	2,543	56,330
25	59	21,344	8,083	14,563	22,646	210,561	2,568	58,898
26	60	21,985	8,790	15,859	24,649	235,210	2,714	61,612
27	61	22,644	9,545	17,244	26,789	261,999	2,989	64,601
28	62	23,324	10,352	18,724	29,076	291,075	3,284	67,885
29	63	24,023	11,214	20,304	31,518	322,593	3,598	71,483
30	64	24,744	12,133	21,991	34,124	356,717	3,936	75,419
		499,542	128,240	228,477	356,717		75,419	

### 30 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
Equity Account	356,717	0	1,213,292	1,213,292
Indexed UL	75,419	0	1,415,615	1,929,262

\*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.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## Comparison of Plan Costs - Equity Account vs. Indexed UL

Equity Account Growth 6.85%    Equity Account Dividend 2.00%    Dividend Tax Rate 25.00%    Income Tax Rate 30.00%    Composite Capital Gains Tax Rate 27.00%    Turnover Assumption 40.00% for 30 yrs 10.00% thereafter    Indexed UL Interest Rate 6.85%    Initial Death Benefit 513,647

Year	Male Age	Equity Account					Indexed UL*	
		(1) Premium	(2) Mgmt Fee	(3) Taxes	(4) Equity Account Total Annual Costs	(5) Equity Account Cum. Total Costs	(6) Policy Total Annual Costs	(7) Policy Cum. Total Costs
31	65	0	11,450	11,536	22,986	379,703	1,821	77,240
32	66	0	10,694	13,404	24,098	403,801	2,026	79,266
33	67	0	9,864	14,755	24,619	428,420	2,222	81,488
34	68	0	8,958	15,646	24,604	453,024	2,438	83,926
35	69	0	7,975	16,120	24,095	477,119	2,660	86,586
36	70	0	6,912	16,217	23,129	500,248	2,903	89,489
37	71	0	5,768	15,967	21,735	521,983	2,928	92,417
38	72	0	4,538	15,400	19,938	541,921	2,895	95,312
39	73	0	3,219	14,535	17,754	559,675	2,773	98,085
40	74	0	1,806	13,392	15,198	574,873	2,536	100,621
41	75	0	295	11,984	12,279	587,152	2,145	102,766
42	76	0	0	2,315	2,315	589,467	2,524	105,290
43	77	0	0	0	0	589,467	2,968	108,258
44	78	0	0	0	0	589,467	3,499	111,757
45	79	0	0	0	0	589,467	4,117	115,874
46	80	0	0	0	0	589,467	4,904	120,778
47	81	0	0	0	0	589,467	6,018	126,796
48	82	0	0	0	0	589,467	7,364	134,160
49	83	0	0	0	0	589,467	9,015	143,175
50	84	0	0	0	0	589,467	11,081	154,256
51	85	0	0	0	0	589,467	13,661	167,917
52	86	0	0	0	0	589,467	16,822	184,739
53	87	0	0	0	0	589,467	20,781	205,520
54	88	0	0	0	0	589,467	25,934	231,454
55	89	0	0	0	0	589,467	32,302	263,756
56	90	0	0	0	0	589,467	40,212	303,968
57	91	0	0	0	0	589,467	40,024	343,992
58	92	0	0	0	0	589,467	37,158	381,150
59	93	0	0	0	0	589,467	30,347	411,497
60	94	0	0	0	0	589,467	18,328	429,825
		499,542	199,719	389,748	589,467		429,825	

### 60 Year Summary

	Cumulative Plan Costs	After Tax Cash Flow	Living Value	Death Benefit
Equity Account	589,467	1,581,314	0	0
Indexed UL	429,825	4,238,400	799,956	905,620

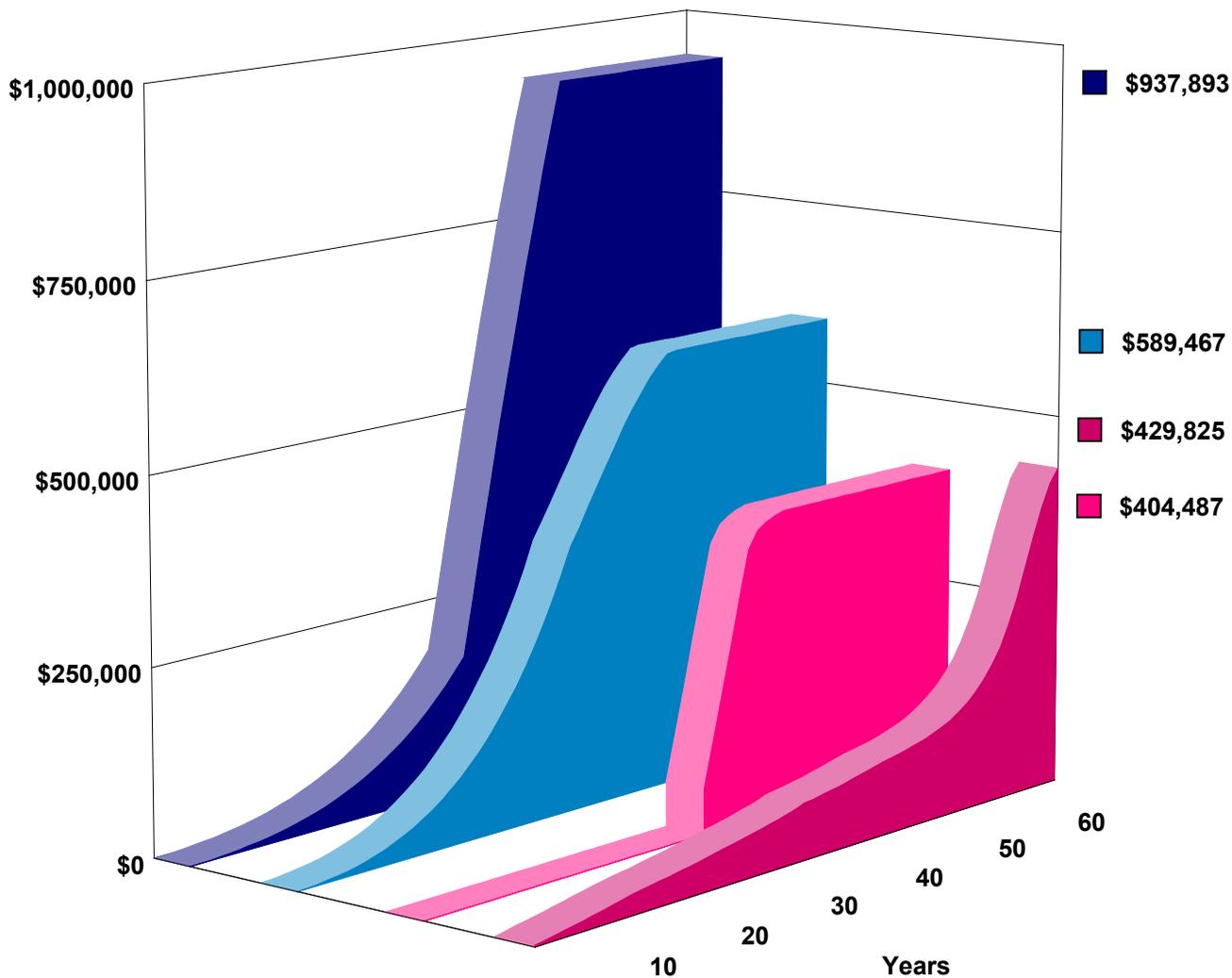
\*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# Various Financial Alternatives vs. Indexed Universal Life

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

Insured: Tom Graves

## 60 Year Comparison of Cumulative Plan Costs



At Year 60

401(k) Costs*	\$937,893
Tax Deferred Account Costs*	\$404,487
Equity Account Costs*	\$589,467
Indexed UL Costs*	\$429,825

\*The Comparison of Plan Costs graphic above compares the management fees and/or taxes of each investment alternative to the mortality charges, policy expenses, and income taxes (if applicable) associated with the life insurance policy.

## 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, the contractual loan provision in the policy allows 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.

## Taxation of Tax Deferred Account Cash Flow

With tax deferred accounts, withdrawals (partial surrenders) are taxable until gain is exhausted. Due to this, cash flow illustrated from the tax deferred account in this presentation is the after tax result of withdrawals of a higher amount.

With cash value life insurance policies, withdrawals (also known as partial surrenders) are income-tax free up to cost basis and taxable thereafter. Policy loans are income-tax free so long as the policy stays in force until death. The source of the cash flow from the life insurance policy in this presentation is policy loans.

Note: 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 issue.

## Cash Flow Analysis In Year 31

Below is an analysis of tax calculations on cash flow in the first year that cash flow from the Tax Deferred Account and Indexed Universal Life is illustrated.

### Tax Deferred Account

\$201,829	gain in contract withdrawn @ 30.00% tax to net	\$141,280
+ \$0	additional non-taxed withdrawal to net	+ \$0
<hr/>		<hr/>
\$201,829	total withdrawal which nets, after tax	\$141,280

### Indexed Universal Life

There are no tax calculations required for the life insurance policy since policy loans are not taxable

On the life insurance policy, withdrawals up to cost basis (not in violation of IRC Section 7702) are income tax free.

## Taxation of 401(k) Cash Flow

With tax deductible retirement plans, withdrawals (partial surrenders) are taxable. Due to this, cash flow illustrated from the tax deductible retirement plan in this presentation is the after tax result of withdrawals of a higher amount.

With cash value life insurance policies, withdrawals (also known as partial surrenders) are income-tax free up to cost basis and taxable thereafter. Policy loans are income-tax free so long as the policy stays in force until death. The source of the cash flow from the life insurance policy in this presentation is policy loans.

Note: 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 issue.

## Cash Flow Analysis In Year 31

Below is an analysis of tax calculations on cash flow in the first year that cash flow from the 401(k) and Indexed Universal Life is illustrated.

### 401(k)

\$201,829      total withdrawal @ 30.00% tax which nets      \$141,280

### Indexed Universal Life

There are no tax calculations required for the life insurance policy since policy loans are not taxable

On the life insurance policy, withdrawals up to cost basis (not in violation of IRC Section 7702) are income tax free.

## Taxation of Equity Account Cash Flow

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.

With cash value life insurance policies, withdrawals (also known as partial surrenders) are income-tax free up to cost basis and taxable thereafter. Policy loans are income-tax free so long as the policy stays in force until death. The source of the cash flow from the life insurance policy in this presentation is policy loans.

Note: 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 issue.