

# Life Plan

For: Mark Fraser



*"Success isn't about what you accomplish in your life, it's about what you inspire others to accomplish."*

Anonymous

Presented By:

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## Summary of Cash Value Insurance (CVI) Values

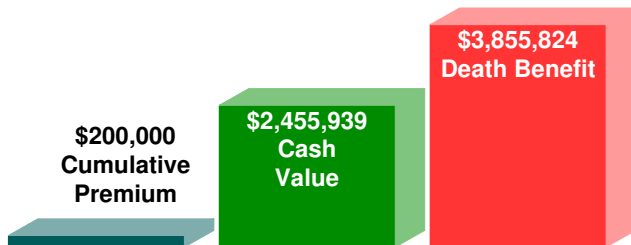
Illustrated Retirement Age 55  
 CVI Interest Rate 8.50%  
 Initial Premium 20,000  
 Initial Death Benefit 1,000,000

### Tax Deferred Accumulation

Year	Male Age	(1) Annual Premium*	(2) Year End Accum Value**	(3) Year End Cash Value**	(4) Year End Death Benefit
1	20	20,000	20,237	15,237	1,020,237
2	21	20,000	42,391	32,391	1,042,391
3	22	20,000	66,540	55,540	1,066,540
5	24	20,000	121,553	110,553	1,121,553
10	29	20,000	308,718	301,568	1,308,718
15	34	0	465,837	465,837	1,465,837
20	39	0	705,787	705,787	1,764,468
25	44	0	1,069,845	1,069,845	2,375,056
30	49	0	1,621,379	1,621,379	3,096,833
35	54	0	2,455,939	2,455,939	3,855,824
		200,000			

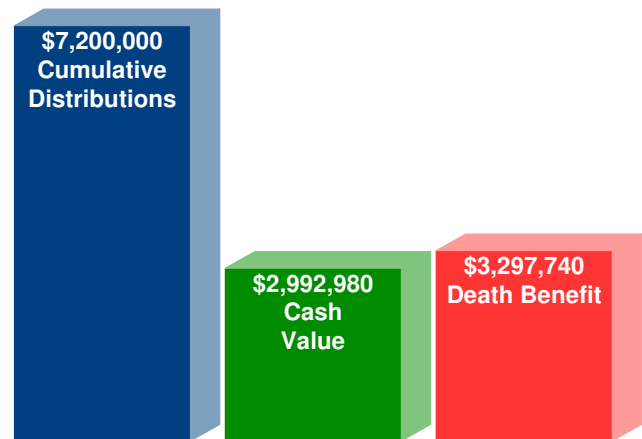
\*Premiums are level for the first 10 pre-retirement years.

### Summary of Pre-Retirement Years (Based on Current Assumptions)



Pay \$200,000 in premiums in pre-retirement years, and, by age 55, accumulate \$2,455,939 of cash value\*\* with \$3,855,824 of death benefit protection.

### Summary of Retirement Years (Based on Current Assumptions)



Pay no more premiums, take cash distributions starting at age 55 of \$180,000 a year for 40 years, and maintain death benefit protection which, by age 95, is illustrated to be \$3,297,740 with \$2,992,980 of cash value.\*\*

\*\*This is an example of a "supplemental" life insurance illustration. In actual presentations, this footnote will refer you to an accompanying "basic" illustration from a specific life insurance company.

## Introduction to Life Plan

As the years pass and retirement edges closer, planning for desired levels of income may seem like an imposing task. But every day you wait only amplifies the problem.

One important way to plan effectively is to take full advantage of an employer-sponsored 401(k) plan or a personal IRA. However, these devices have government restricted contribution limits so relying on them solely may cause you to fall short of your retirement goals. Consequently, a large portion of your retirement income must come from personal savings.

Private savings can include stocks, bonds, mutual funds, annuities, and life insurance. And life insurance can be particularly valuable since it does the double duty of protecting your family while you are building your long-term savings.

Life Plan is a life insurance strategy that emphasizes death benefit and pre-retirement cash accumulation while also providing a source of retirement income. Following is a summary of the accompanying life insurance illustration prepared for Mark Fraser, age 20.

### **Pre-Retirement Accumulation (Based on Current Assumptions)**

Initial Life Insurance Death Benefit	\$1,000,000
Annual Premium Illustrated	\$20,000
Number of Premium Payments Illustrated	10
Total Premiums Illustrated	\$200,000
Cash Value* at Retirement	\$2,455,939
Life Insurance Death Benefit at Retirement	\$3,855,824

### **Retirement Distributions (Based on Current Assumptions)**

Illustrated Retirement Age	55
Annual Policy Distribution	\$180,000
Number of Annual Policy Distributions	40
Total Policy Distributions	\$7,200,000
Cash Value* at Age 95	\$2,992,980
Death Benefit at Age 95	\$3,297,740

Premium payments are subject to certain policy and IRS limitations and must be sufficient to keep your policy in force. Under current tax laws, policy values accumulate on a tax deferred basis. Policy loans and withdrawals decrease the death benefit and affect policy value accumulation. Withdrawals in excess of total premiums paid are taxable.

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