

Life Plan

For Arthur Lee



Presented By: _____

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 Arthur Lee, age 45.

Pre-Retirement Accumulation (Based on Current Assumptions)

Initial Life Insurance Death Benefit	\$2,500,000
Annual Premium Illustrated	\$100,000
Number of Premium Payments Illustrated	5
Total Premiums Illustrated	\$500,000
Cash Value* at Retirement	\$1,955,453
Life Insurance Death Benefit at Retirement	\$2,500,000

Retirement Distributions (Based on Current Assumptions)

Illustrated Retirement Age	65
Annual Policy Distribution	\$175,000
Number of Annual Policy Distributions	20
Total Policy Distributions	\$3,500,000
Cash Value* at Age 95	\$926,101
Death Benefit at Age 95	\$1,030,364

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.

*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.

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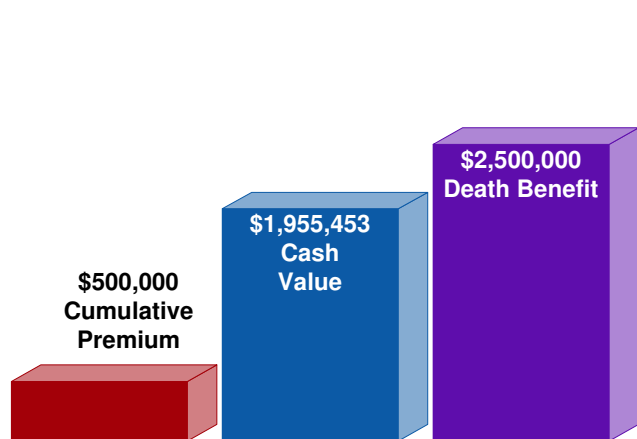
Illustrated Retirement Age 65 CVI Interest Rate 8.50% Initial Premium 100,000 Initial Death Benefit 2,500,000

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	45	100,000	102,198	67,198	2,500,000
2	46	100,000	213,869	143,869	2,500,000
3	47	100,000	335,427	260,927	2,500,000
4	48	100,000	467,797	393,297	2,500,000
5	49	100,000	612,010	537,510	2,500,000
6	50	0	659,828	589,053	2,500,000
7	51	0	711,459	645,154	2,500,000
10	54	0	892,823	844,398	2,500,000
15	59	0	1,311,468	1,311,468	2,500,000
20	64	0	1,955,453	1,955,453	2,500,000
		500,000			

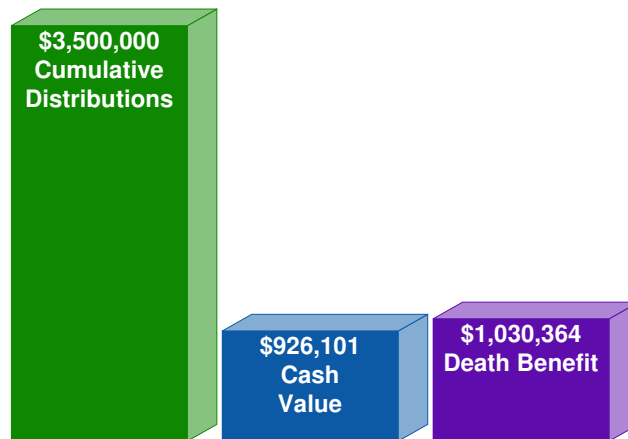
*Premiums are level for the first 5 pre-retirement years.

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



Pay \$500,000 in premiums in pre-retirement years, and, by age 65, accumulate \$1,955,453 of cash value** with \$2,500,000 of death benefit protection.

Summary of Retirement Years (Based on Current Assumptions)



Pay no more premiums, take cash distributions starting at age 65 of \$175,000 a year for 20 years, and maintain death benefit protection which, by age 95, is illustrated to be \$1,030,364 with \$926,101 of cash value.**

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