

Indexed Universal Life vs. Term Insurance and an Equity Account

For: Laura Lake Johnson



Presented By: _____

[Licensed user's name appears here]

Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

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 will involve your selection of the appropriate life insurance policy.

There are several important factors to consider which include:

1. The time frame for the insurance need;
2. Your available cash flow;
3. Your alternative uses for the cash flow;
4. The income tax considerations.

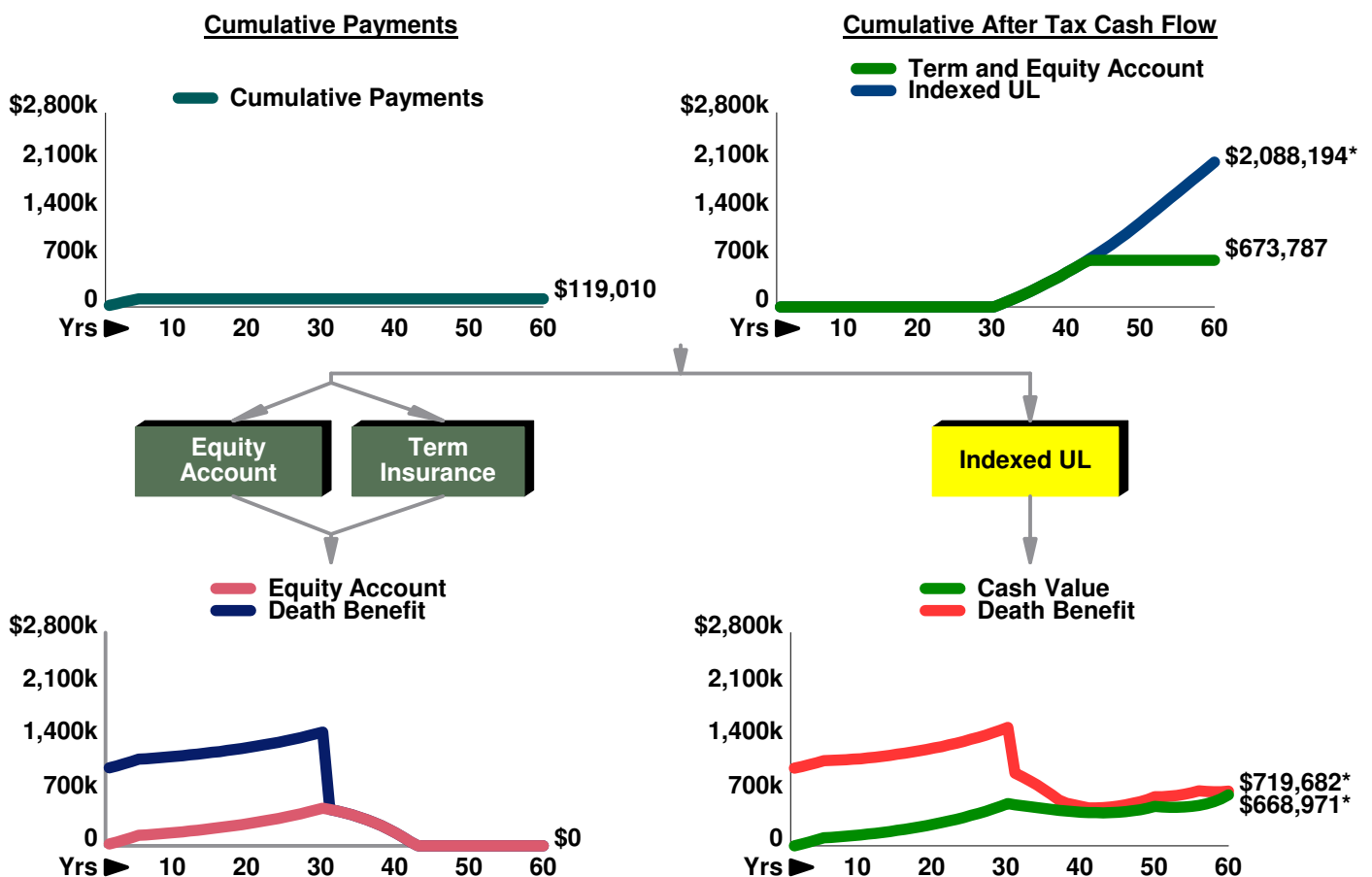
An integrated analysis of these points creates useful information that helps guide your purchasing evaluation. The precision of the conclusions, however, is contingent upon the accuracy of the data utilized. You should be positive that all premises

and conditions accurately reflect your goals and expectations.

The accompanying analysis contrasts a cash value policy to a term insurance alternative. Any difference in premiums between the two choices has been evaluated regarding time/use of money.

The study produces information which should form a basis from which you and your advisors can draw informed conclusions.

Based upon the results of the analysis, we recommend funding your life insurance requirement with the cash value policy illustrated rather than a term life insurance policy.



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. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

Comparison

		Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 35.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 1,000,000				
		Payment Allocation			1,000,000 Scheduled Term Insurance Along with an Equity Account*				Indexed UL		
Year	Female Age	(1) Cost of the Proposed Premium	(2) Alternative Term Policy Premium	(3) Net to Equity Account (1) - (2)	(4) After Tax Cash Flow from the Account	(5) Year End Equity Account Value	(6) Scheduled Term Death Benefit	(7) Combined Death Benefit (5) + (6)	(8) After Tax Policy Loan Proceeds	(9) Year End Cash Value**	(10) Death Benefit
1	35	23,802	680	23,122	0	24,558	1,000,000	1,024,558	0	248	1,020,708
2	36	23,802	680	23,122	0	50,568	1,000,000	1,050,568	0	24,373	1,042,783
3	37	23,802	680	23,122	0	78,072	1,000,000	1,078,072	0	49,966	1,066,326
4	38	23,802	680	23,122	0	107,128	1,000,000	1,107,128	0	77,127	1,091,447
5	39	23,802	680	23,122	0	137,808	1,000,000	1,137,808	0	105,974	1,118,244
6	40	0	680	-680	0	144,963	1,000,000	1,144,963	0	112,536	1,122,766
7	41	0	680	-680	0	152,417	1,000,000	1,152,417	0	119,463	1,127,643
8	42	0	680	-680	0	160,224	1,000,000	1,160,224	0	126,776	1,132,906
9	43	0	680	-680	0	168,425	1,000,000	1,168,425	0	134,499	1,138,589
10	44	0	680	-680	0	177,057	1,000,000	1,177,057	0	142,701	1,144,741
11	45	0	680	-680	0	186,152	1,000,000	1,186,152	0	154,875	1,154,875
12	46	0	680	-680	0	195,739	1,000,000	1,195,739	0	165,730	1,165,730
13	47	0	680	-680	0	205,851	1,000,000	1,205,851	0	177,355	1,177,355
14	48	0	680	-680	0	216,518	1,000,000	1,216,518	0	189,802	1,189,802
15	49	0	680	-680	0	227,771	1,000,000	1,227,771	0	203,120	1,203,120
16	50	0	680	-680	0	239,644	1,000,000	1,239,644	0	217,370	1,217,370
17	51	0	680	-680	0	252,171	1,000,000	1,252,171	0	232,629	1,232,629
18	52	0	680	-680	0	265,387	1,000,000	1,265,387	0	248,961	1,248,961
19	53	0	680	-680	0	279,331	1,000,000	1,279,331	0	266,437	1,266,437
20	54	0	680	-680	0	294,044	1,000,000	1,294,044	0	285,123	1,285,123
21	55	0	680	-680	0	309,569	1,000,000	1,309,569	0	305,087	1,305,087
22	56	0	680	-680	0	325,949	1,000,000	1,325,949	0	326,400	1,326,400
23	57	0	680	-680	0	343,232	1,000,000	1,343,232	0	349,136	1,349,136
24	58	0	680	-680	0	361,466	1,000,000	1,361,466	0	373,362	1,373,362
25	59	0	680	-680	0	380,706	1,000,000	1,380,706	0	399,165	1,399,165
26	60	0	680	-680	0	401,007	1,000,000	1,401,007	0	426,594	1,426,594
27	61	0	680	-680	0	422,427	1,000,000	1,422,427	0	455,762	1,455,762
28	62	0	680	-680	0	445,027	1,000,000	1,445,027	0	486,761	1,486,761
29	63	0	680	-680	0	468,873	1,000,000	1,468,873	0	519,691	1,519,691
30	64	0	680	-680	0	494,035	1,000,000	1,494,035	0	554,664	1,554,664
		119,010	20,400	98,610	0				0		

Management fees reflected in column (5): 1.25%

30 Year Summary

	Term/Equity Account	Indexed UL
After Tax Payments	119,010	119,010
After Tax Cash Flow	0	0
Living Values	494,035	554,664
Death Benefit	1,494,035	1,554,664

*See the accompanying reports entitled "Equity Account Details" and "Portfolio Turnover Details" for year-by-year equity calculation and turnover details.

**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.

Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

Comparison

		Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 35.00%	Indexed UL Interest Rate 6.85%	Initial Death Benefit 1,000,000				
		Payment Allocation			1,000,000 Scheduled Term Insurance Along with an Equity Account*				Indexed UL		
Year	Female Age	(1) Cost of the Proposed Premium	(2) Alternative Term Policy Premium	(3) Net to Equity Account (1) - (2)	(4) After Tax Cash Flow from the Account	(5) Year End Equity Account Value	(6) Scheduled Term Death Benefit	(7) Combined Death Benefit (5) + (6)	(8) After Tax Policy Loan Proceeds	(9) Year End Cash Value**	(10) Death Benefit
31	65	0	0	0	42,000	476,736	0	476,736	42,000	541,311	955,900
32	66	0	0	0	43,664	456,613	0	456,613	43,664	527,964	907,848
33	67	0	0	0	45,378	433,478	0	433,478	45,378	514,765	855,593
34	68	0	0	0	47,143	407,126	0	407,126	47,143	501,864	798,873
35	69	0	0	0	48,962	377,324	0	377,324	48,962	489,439	737,407
36	70	0	0	0	50,834	343,828	0	343,828	50,834	477,709	670,901
37	71	0	0	0	52,763	306,372	0	306,372	52,763	466,942	599,044
38	72	0	0	0	54,750	264,672	0	264,672	54,750	457,461	560,415
39	73	0	0	0	56,797	218,425	0	218,425	56,797	449,494	540,534
40	74	0	0	0	58,905	167,314	0	167,314	58,905	443,008	519,659
41	75	0	0	0	61,076	110,995	0	110,995	61,076	438,319	497,672
42	76	0	0	0	63,312	49,107	0	49,107	63,312	435,493	499,900
43	77	0	0	0	48,203	0	0	0	65,615	434,812	504,762
44	78	0	0	0	0	0	0	0	67,988	436,588	512,606
45	79	0	0	0	0	0	0	0	70,432	441,156	523,809
46	80	0	0	0	0	0	0	0	72,948	448,880	538,779
47	81	0	0	0	0	0	0	0	75,541	460,152	557,954
48	82	0	0	0	0	0	0	0	78,211	475,394	581,803
49	83	0	0	0	0	0	0	0	80,961	495,056	610,831
50	84	0	0	0	0	0	0	0	83,794	519,631	645,586
51	85	0	0	0	0	0	0	0	86,712	512,289	647,428
52	86	0	0	0	0	0	0	0	86,712	508,215	653,178
53	87	0	0	0	0	0	0	0	86,712	507,719	663,187
54	88	0	0	0	0	0	0	0	86,712	511,132	677,827
55	89	0	0	0	0	0	0	0	86,712	518,784	697,471
56	90	0	0	0	0	0	0	0	86,712	530,832	722,312
57	91	0	0	0	0	0	0	0	86,712	550,209	714,407
58	92	0	0	0	0	0	0	0	86,712	578,384	710,441
59	93	0	0	0	0	0	0	0	86,712	617,195	711,654
60	94	0	0	0	0	0	0	0	86,712	668,971	719,682
		119,010	20,400	98,610	673,787				2,088,194		

Management fees reflected in column (5): 1.25%

60 Year Summary

	Term/Equity Account	Indexed UL
After Tax Payments	119,010	119,010
After Tax Cash Flow	673,787	2,088,194
Living Values	0	668,971
Death Benefit	0	719,682

*See the accompanying reports entitled "Equity Account Details" and "Portfolio Turnover Details" for year-by-year equity calculation and turnover details.

**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.

Indexed Universal Life vs. Term Insurance and an Equity Account

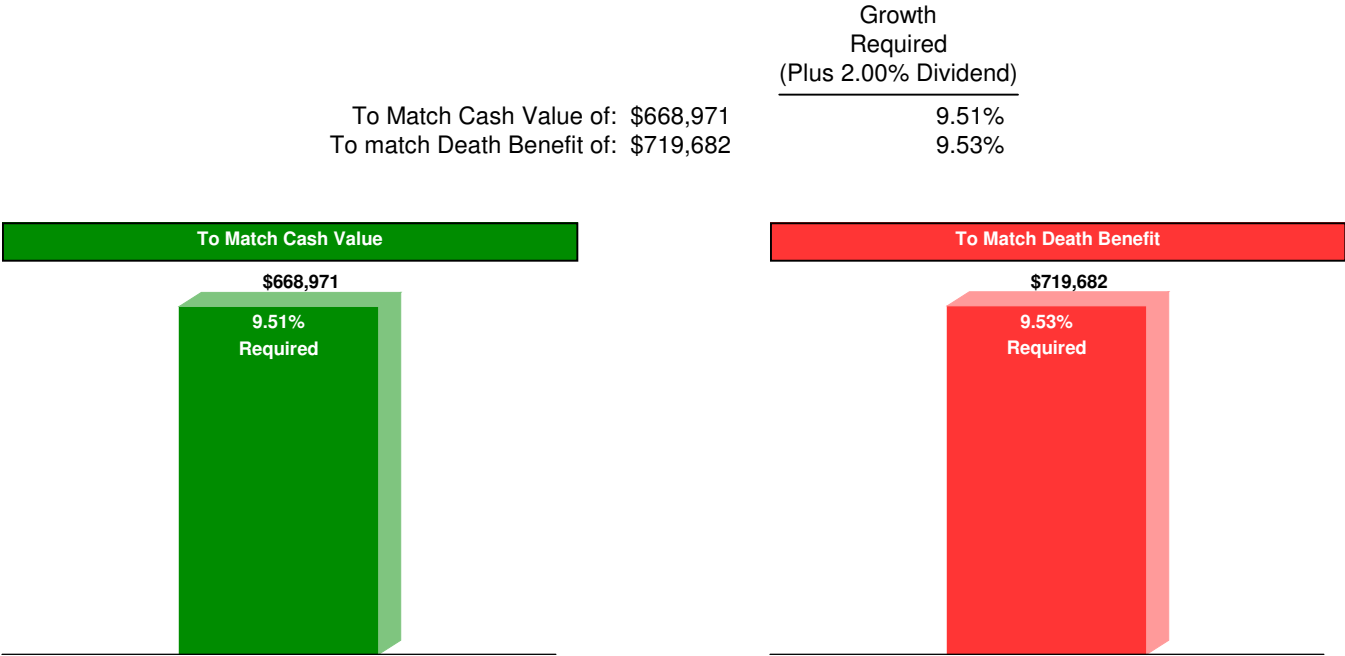
Presented By: [Licensed user's name appears here]

Insured: Laura Lake Johnson

Matching Values

Equity Account Growth	Equity Account Dividend	Dividend Tax Rate	Income Tax Rate	Indexed UL Interest Rate	Initial Death Benefit
6.85%	2.00%	25.00%	35.00%	6.85%	1,000,000

**Growth Required on an Equity Account
in Addition to the Dividend Illustrated
to Match Indexed Universal Life Policy Values over 60 Years
After Applying the Term Payment Illustrated**



Income Tax Considerations

1. Equity Account: Capital gains tax calculations are taxed based on a ratio of asset value to remaining cost basis in any given year.
2. Indexed Universal Life:
 - a. Death Benefit including available 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.

Indexed Universal Life vs. Term Insurance and an Equity Account

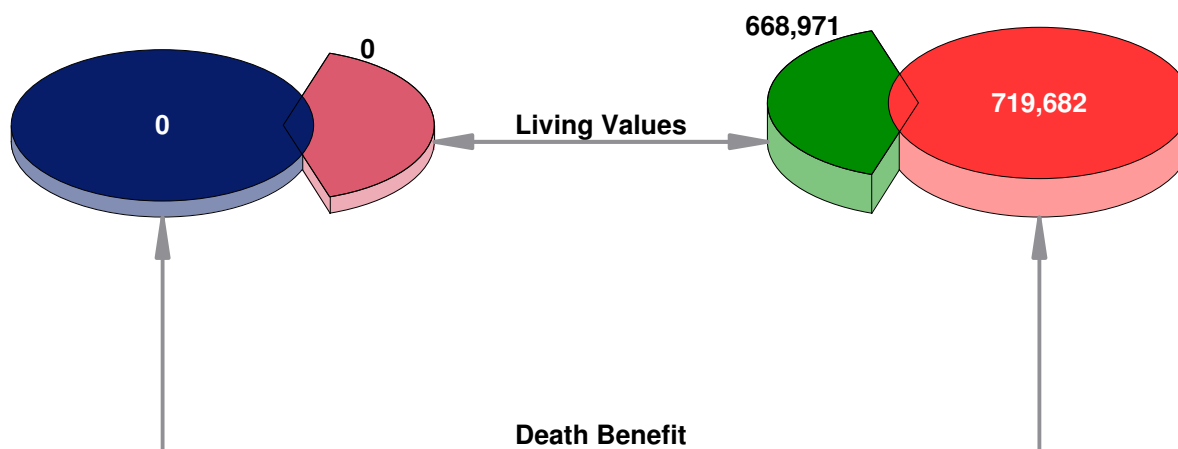
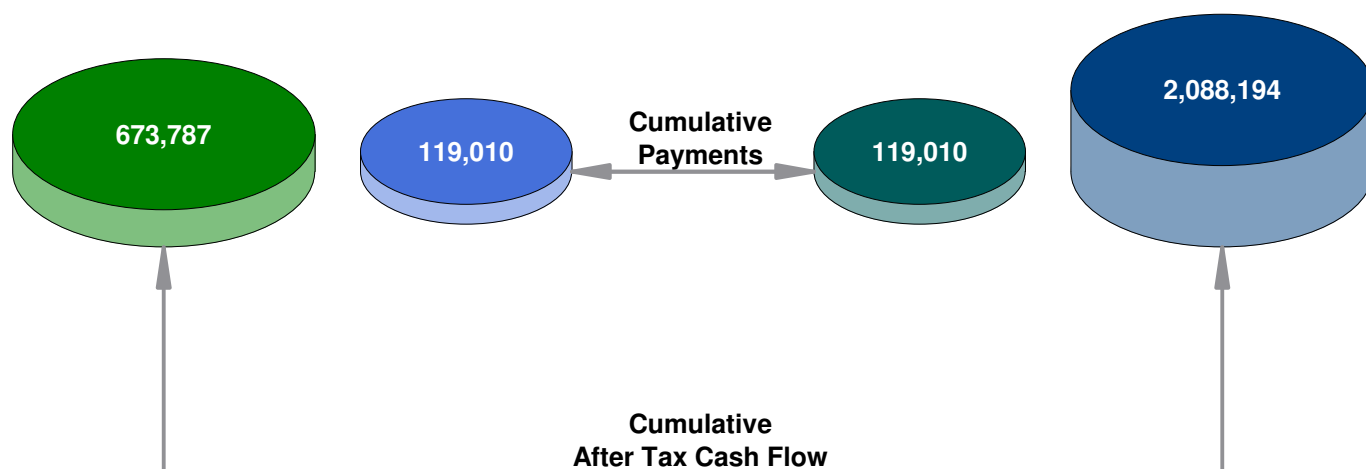
Presented By: [Licensed user's name appears here]

Insured: Laura Lake Johnson

A Look at Year 60

Term Insurance and an Equity Account

Indexed Universal Life

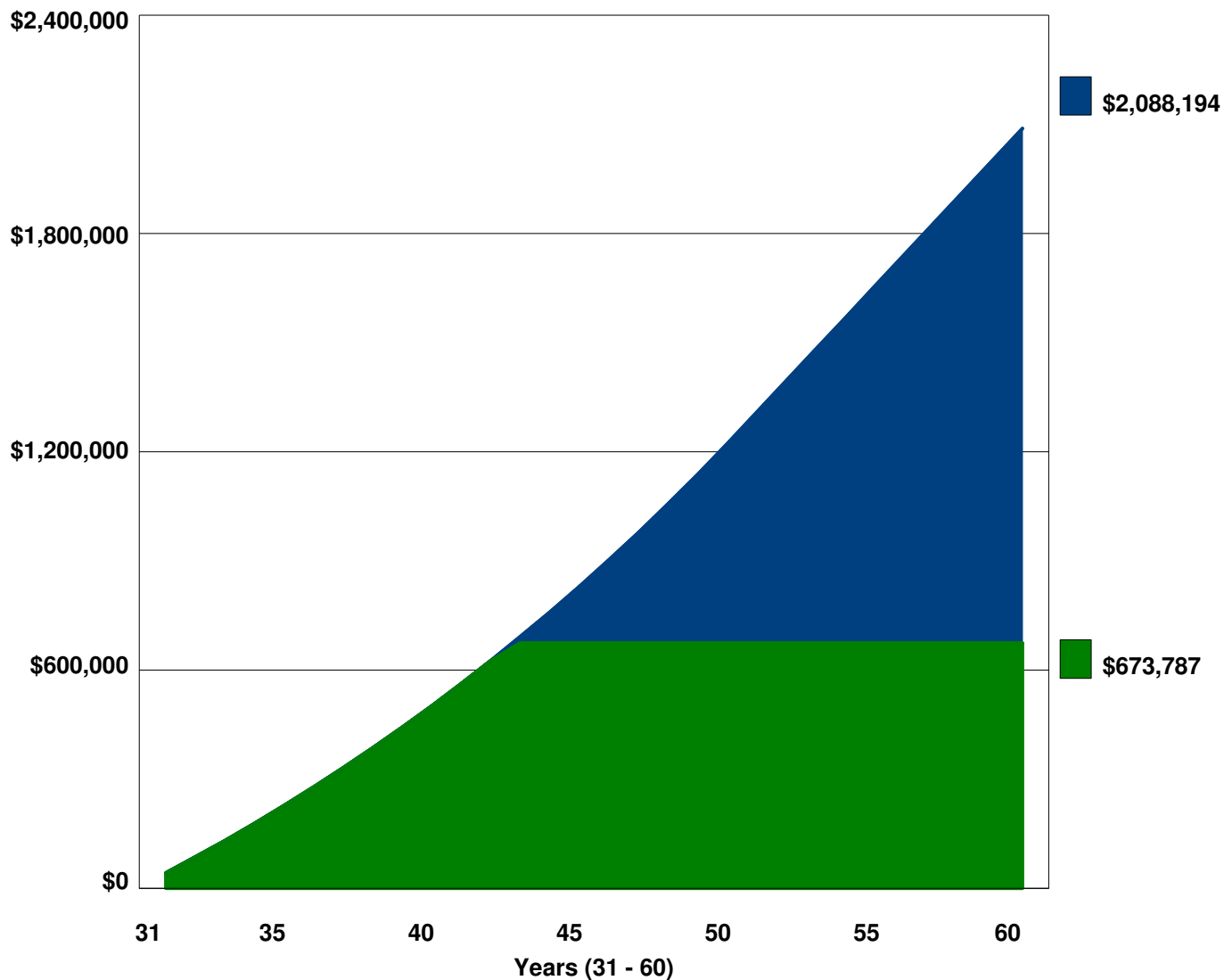


Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

Cash Flow Comparison of Years 31 - 60



At Year 60

Cumulative After Tax Cash Flow - Equity Account ■ \$673,787

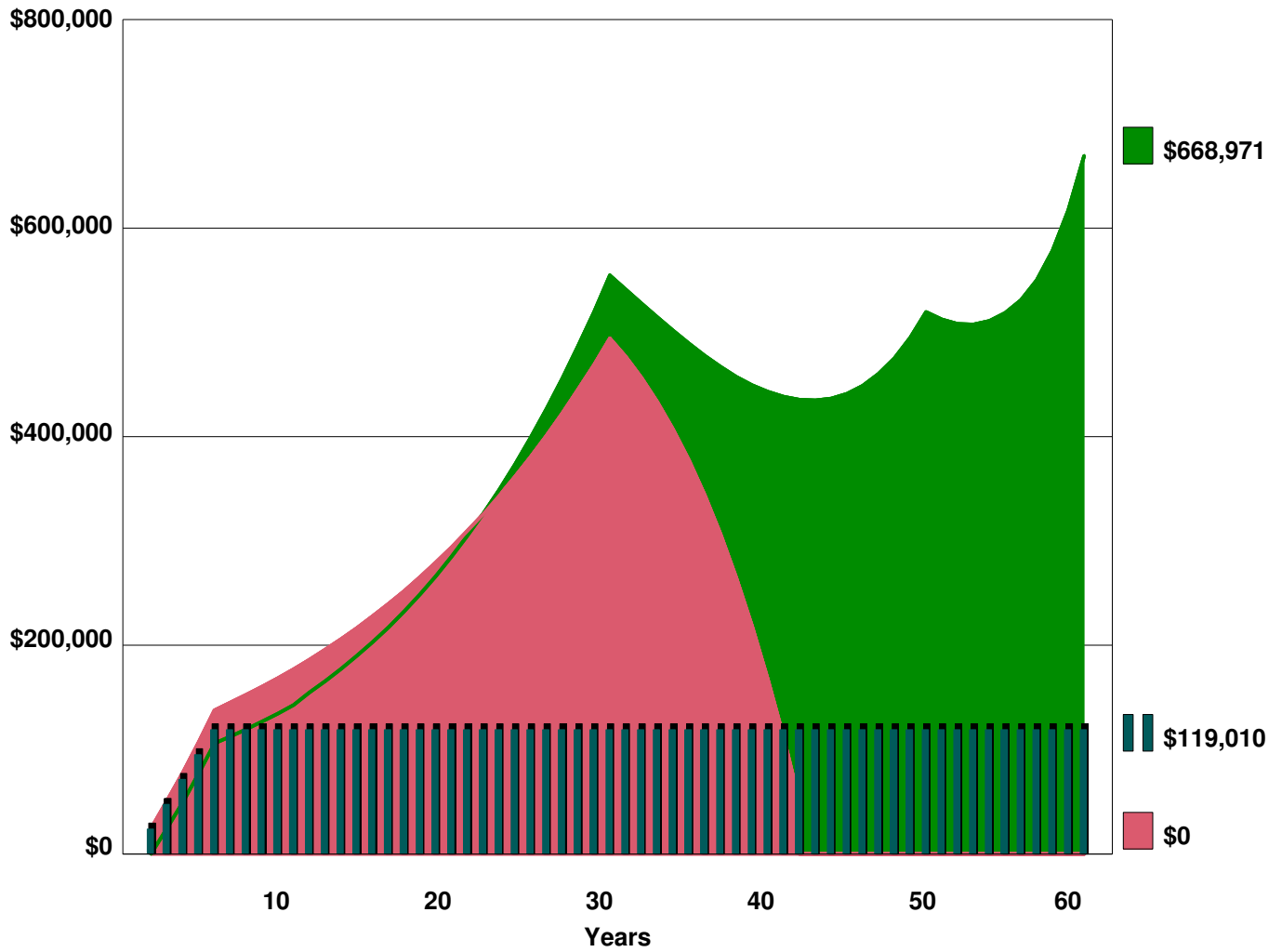
Cumulative After Tax Policy Cash Flow - Indexed UL ■ \$2,088,194

Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

60 Year Analysis



At Year 60

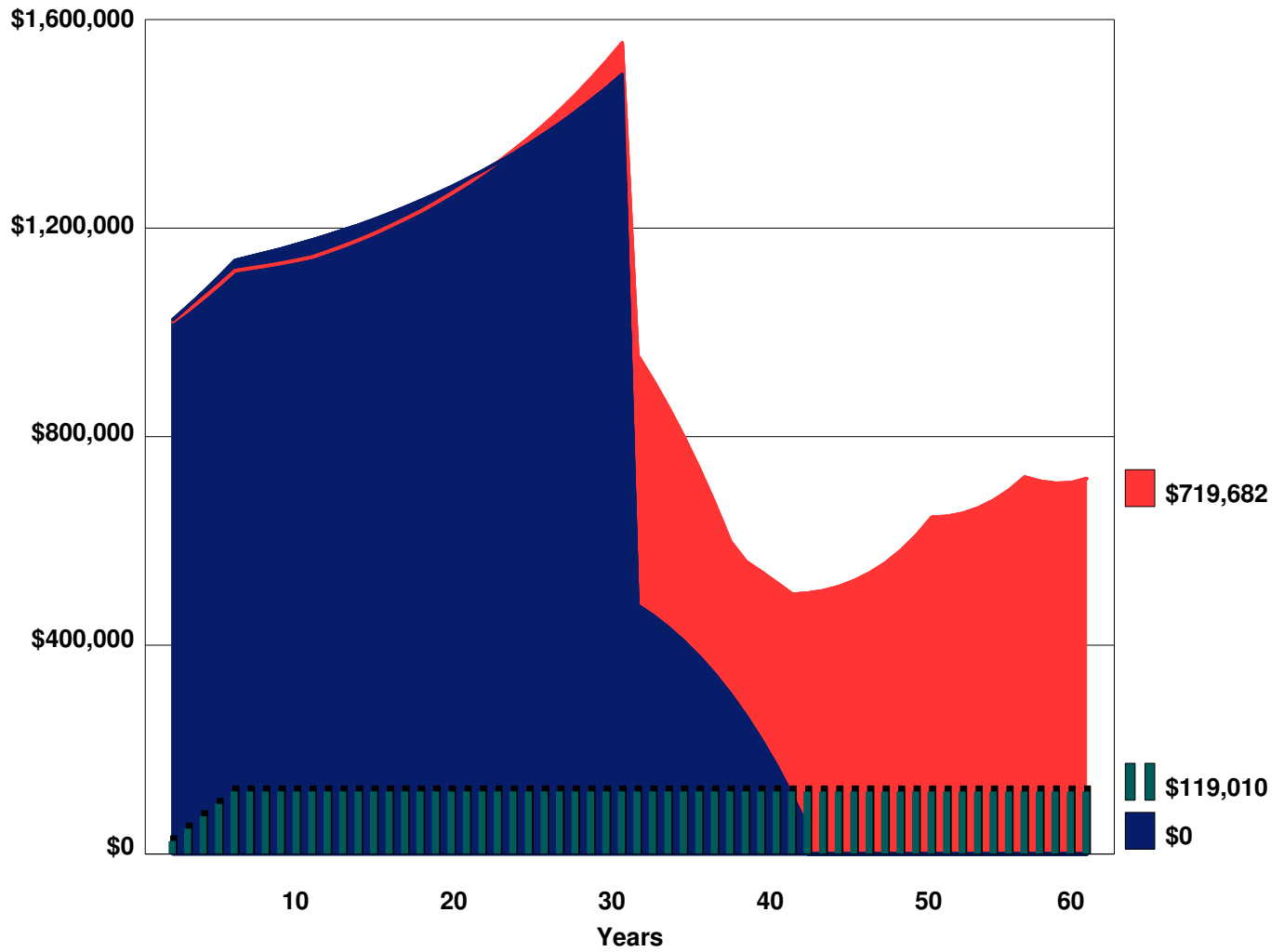
Payments (Cumulative)	\$119,010
Equity Account Values	\$0
Indexed UL Cash Values	\$668,971

Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

60 Year Analysis



	<u>At Year 60</u>
Payments (Cumulative)	\$119,010
Term Plus Equity Account Death Benefit	\$0
Indexed UL Policy Death Benefit	\$719,682

Taxation of 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.

Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

Equity Account Details

		Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 35.00%	Composite Capital Gains Tax Rate* 29.00%	Turnover Assumption 40.00%				
Yr	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	23,122	0	1,584	347	25,053	24,558	0	0	0
2	36	24,558	23,122	0	3,266	715	51,661	50,568	0	0	0
3	37	50,568	23,122	0	5,048	1,105	79,843	78,072	0	0	0
4	38	78,072	23,122	0	6,932	1,518	109,644	107,128	0	0	0
5	39	107,128	23,122	0	8,922	1,954	141,126	137,808	0	0	0
6	40	137,808	0	0	9,440	1,387	148,635	144,963	680	0	680
7	41	144,963	0	0	9,930	1,494	156,387	152,417	680	0	680
8	42	152,417	0	0	10,441	1,606	164,464	160,224	680	0	680
9	43	160,224	0	0	10,975	1,723	172,922	168,425	680	0	680
10	44	168,425	0	0	11,537	1,846	181,808	177,057	680	0	680
11	45	177,057	0	0	12,128	1,976	191,161	186,152	680	0	680
12	46	186,152	0	0	12,751	2,112	201,015	195,739	680	0	680
13	47	195,739	0	0	13,408	2,256	211,403	205,851	680	0	680
14	48	205,851	0	0	14,101	2,408	222,360	216,518	680	0	680
15	49	216,518	0	0	14,831	2,568	233,917	227,771	680	0	680
16	50	227,771	0	0	15,602	2,737	246,110	239,644	680	0	680
17	51	239,644	0	0	16,416	2,915	258,975	252,171	680	0	680
18	52	252,171	0	0	17,274	3,103	272,548	265,387	680	0	680
19	53	265,387	0	0	18,179	3,301	286,867	279,331	680	0	680
20	54	279,331	0	0	19,134	3,510	301,975	294,044	680	0	680
21	55	294,044	0	0	20,142	3,731	317,917	309,569	680	0	680
22	56	309,569	0	0	21,205	3,964	334,738	325,949	680	0	680
23	57	325,949	0	0	22,328	4,209	352,486	343,232	680	0	680
24	58	343,232	0	0	23,511	4,468	371,211	361,466	680	0	680
25	59	361,466	0	0	24,760	4,742	390,968	380,706	680	0	680
26	60	380,706	0	0	26,078	5,031	411,815	401,007	680	0	680
27	61	401,007	0	0	27,469	5,335	433,811	422,427	680	0	680
28	62	422,427	0	0	28,936	5,656	457,019	445,027	680	0	680
29	63	445,027	0	0	30,484	5,995	481,506	468,873	680	0	680
30	64	468,873	0	0	32,118	6,353	507,344	494,035	680	0	680
			115,610	0	488,930	90,065			17,000	0	17,000

*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: 35.00%

**Column (7) is reduced by a 1.25% management fee.

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

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

Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

Equity Account Details

		Equity Account Growth 6.85%	Equity Account Dividend 2.00%	Dividend Tax Rate 25.00%	Income Tax Rate 35.00%	Composite Capital Gains Tax Rate* 29.00%	Turnover Assumption 40.00%				
Yr	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	494,035	0	35,761	31,392	0	489,666	476,736	6,874	35,126	42,000
32	66	476,736	0	37,760	30,070	0	469,046	456,613	6,585	37,079	43,664
33	67	456,613	0	39,852	28,548	0	445,309	433,478	6,251	39,127	45,378
34	68	433,478	0	42,040	26,814	0	418,252	407,126	5,871	41,272	47,143
35	69	407,126	0	44,333	24,851	0	387,644	377,324	5,442	43,520	48,962
36	70	377,324	0	46,733	22,645	0	353,236	343,828	4,959	45,875	50,834
37	71	343,828	0	49,250	20,179	0	314,757	306,372	4,418	48,345	52,763
38	72	306,372	0	51,887	17,432	0	271,917	264,672	3,817	50,933	54,750
39	73	264,672	0	54,653	14,386	0	224,405	218,425	3,150	53,647	56,797
40	74	218,425	0	57,551	11,020	0	171,894	167,314	2,413	56,492	58,905
41	75	167,314	0	60,591	7,311	0	114,034	110,995	1,600	59,476	61,076
42	76	110,995	0	63,778	3,234	0	50,451	49,107	708	62,604	63,312
43	77	49,107	0	49,107	0	0	0	0	0	48,203	48,203
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
			115,610	633,296	726,812	90,065			69,088	621,699	690,787

*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: 35.00%

**Column (7) is reduced by a 1.25% management fee.

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

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

Indexed Universal Life vs. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

Portfolio Turnover Details

Equity Account Dividend 2.00%
 Dividend Tax Rate 25.00%
 Income Tax Rate 35.00%
 Composite Capital Gains Tax Rate* 29.00%
 Turnover Assumption 40.00%

Yr	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	23,122	0	1,584	347	25,053	23,469	10,021	9,388	9,837	24,558
2	36	23,919	23,122	0	3,266	715	51,661	47,756	20,664	19,102	20,211	50,568
3	37	48,865	23,122	0	5,048	1,105	79,843	73,092	31,937	29,237	31,154	78,072
4	38	75,009	23,122	0	6,932	1,518	109,644	99,649	43,858	39,860	42,698	107,128
5	39	102,488	23,122	0	8,922	1,954	141,126	127,564	56,450	51,026	54,877	137,808
6	40	131,415	0	0	9,440	1,387	148,635	132,803	59,454	53,121	57,617	144,963
7	41	137,299	0	0	9,930	1,494	156,387	138,793	62,555	55,517	60,514	152,417
8	42	143,790	0	0	10,441	1,606	164,464	145,395	65,786	58,158	63,574	160,224
9	43	150,811	0	0	10,975	1,723	172,922	152,534	69,169	61,014	66,804	168,425
10	44	158,324	0	0	11,537	1,846	181,808	160,170	72,723	64,068	70,213	177,057
11	45	166,315	0	0	12,128	1,976	191,161	168,291	76,464	67,317	73,812	186,152
12	46	174,786	0	0	12,751	2,112	201,015	176,899	80,406	70,759	77,608	195,739
13	47	183,747	0	0	13,408	2,256	211,403	186,003	84,561	74,401	81,615	205,851
14	48	193,217	0	0	14,101	2,408	222,360	195,625	88,944	78,250	85,843	216,518
15	49	203,218	0	0	14,831	2,568	233,917	205,785	93,567	82,314	90,304	227,771
16	50	213,775	0	0	15,602	2,737	246,110	216,512	98,444	86,605	95,011	239,644
17	51	224,918	0	0	16,416	2,915	258,975	227,832	103,590	91,133	99,978	252,171
18	52	236,677	0	0	17,274	3,103	272,548	239,780	109,019	95,912	105,218	265,387
19	53	249,086	0	0	18,179	3,301	286,867	252,387	114,747	100,955	110,747	279,331
20	54	262,180	0	0	19,134	3,510	301,975	265,689	120,790	106,276	116,581	294,044
21	55	275,995	0	0	20,142	3,731	317,917	279,725	127,167	111,890	122,737	309,569
22	56	290,572	0	0	21,205	3,964	334,738	294,536	133,895	117,814	129,232	325,949
23	57	305,953	0	0	22,328	4,209	352,486	310,162	140,994	124,065	136,085	343,232
24	58	322,182	0	0	23,511	4,468	371,211	326,651	148,484	130,660	143,315	361,466
25	59	339,306	0	0	24,760	4,742	390,968	344,048	156,387	137,619	150,944	380,706
26	60	357,373	0	0	26,078	5,031	411,815	362,404	164,726	144,962	158,994	401,007
27	61	376,437	0	0	27,469	5,335	433,811	381,772	173,524	152,709	167,488	422,427
28	62	396,551	0	0	28,936	5,656	457,019	402,207	182,808	160,883	176,449	445,027
29	63	417,773	0	0	30,484	5,995	481,506	423,768	192,602	169,507	185,905	468,873
30	64	440,166	0	0	32,118	6,353	507,344	446,519	202,938	178,608	195,882	494,035
			115,610									

*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: 35.00%

**Column (11) is reduced by a 1.25% 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. Term Insurance and an Equity Account

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

Insured: Laura Lake Johnson

Portfolio Turnover Details

Equity Account Dividend 2.00%
 Dividend Tax Rate 25.00%
 Income Tax Rate 35.00%
 Composite Capital Gains Tax Rate* 29.00%
 Turnover Assumption 40.00%

Yr	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	463,793	0	35,761	31,392	0	489,666	430,221	195,866	172,089	188,971	476,736
32	66	447,104	0	37,760	30,070	0	469,046	411,691	187,618	164,676	180,965	456,613
33	67	427,980	0	39,852	28,548	0	445,309	390,627	178,124	156,251	171,780	433,478
34	68	406,156	0	42,040	26,814	0	418,252	366,767	167,301	146,706	161,328	407,126
35	69	381,388	0	44,333	24,851	0	387,644	339,858	155,058	135,943	149,514	377,324
36	70	353,429	0	46,733	22,645	0	353,236	309,656	141,294	123,862	136,239	343,828
37	71	322,032	0	49,250	20,179	0	314,757	275,904	125,903	110,362	121,396	306,372
38	72	286,939	0	51,887	17,432	0	271,917	238,343	108,767	95,337	104,872	264,672
39	73	247,878	0	54,653	14,386	0	224,405	196,693	89,762	78,677	86,547	218,425
40	74	204,563	0	57,551	11,020	0	171,894	150,664	68,758	60,266	66,295	167,314
41	75	156,694	0	60,591	7,311	0	114,034	99,948	45,614	39,979	43,980	110,995
42	76	103,949	0	63,778	3,234	0	50,451	44,219	20,180	17,688	19,458	49,107
43	77	45,989	0	49,107	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
		115,610										

*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: 35.00%

**Column (11) is reduced by a 1.25% management fee.

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