

Life Plan - A Tax-Advantaged Life Insurance and Retirement Plan

For: Laura Lake Johnson



Presented By: _____

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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 Laura Lake Johnson, age 35.

Pre-Retirement Accumulation (Based on Current Assumptions)

Initial Life Insurance Death Benefit	\$1,000,000
Annual Premium Illustrated	\$23,802
Number of Premium Payments Illustrated	5
Total Premiums Illustrated	\$119,010
Cash Value* at Retirement	\$575,594
Life Insurance Death Benefit at Retirement	\$1,000,000

Retirement Distributions (Based on Current Assumptions)

Illustrated Retirement Age	65
Number of Annual Policy Distributions	30
Total Policy Distributions	\$2,179,446
Cash Value* at Age 95	\$676,744
Death Benefit at Age 95	\$729,483

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 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.

Summary of Indexed Universal Life Values

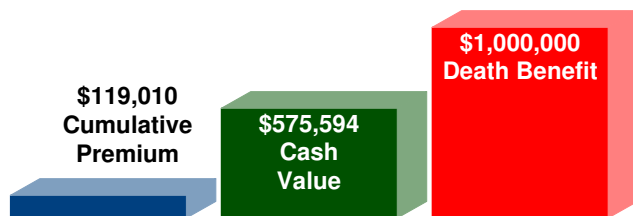
Illustrated Retirement Age 65	Indexed UL Interest Rate 6.85%	Initial Premium 23,802	Initial Death Benefit 1,000,000
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Tax Deferred Accumulation

Year	Female Age	(1) Annual Premium*	(2) Year End Cash Value**	(3) Year End Death Benefit
1	35	23,802	262	1,000,000
2	36	23,802	24,418	1,000,000
3	37	23,802	50,063	1,000,000
4	38	23,802	77,300	1,000,000
5	39	23,802	106,254	1,000,000
10	44	0	143,590	1,000,000
15	49	0	205,046	1,000,000
20	54	0	289,207	1,000,000
25	59	0	408,088	1,000,000
30	64	0	575,594	1,000,000
		119,010		

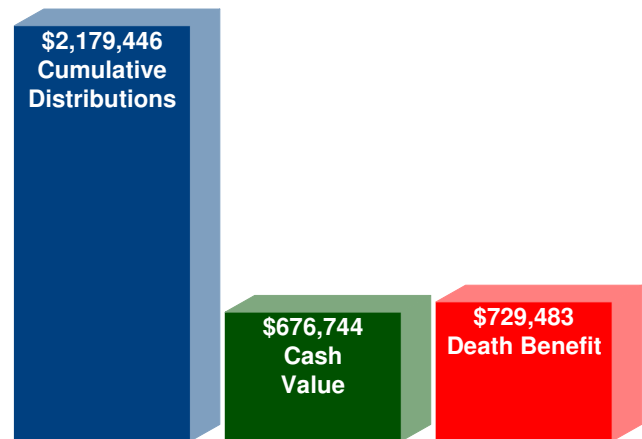
*Premiums are level for the first 5 pre-retirement years.

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



Pay \$119,010 in premiums in pre-retirement years, and, by age 65, accumulate \$575,594 of cash value** with \$1,000,000 of death benefit protection.

Summary of Retirement Years (Based on Current Assumptions)



Pay no more premiums, take cash distributions starting at age 65 as shown on the accompanying page, and maintain death benefit protection which, by age 95, is illustrated to be \$729,483 with \$676,744 of cash value.**

**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.

Policy Distribution Analysis

Year	Female Age	(1) Annual Policy Distribution
31	65	44,000
32	66	45,727
33	67	47,505
34	68	49,337
35	69	51,224
36	70	53,168
37	71	55,170
38	72	57,231
39	73	59,355
40	74	61,543
41	75	63,796
42	76	66,116
43	77	68,507
44	78	70,969
45	79	73,504
46	80	76,116
47	81	78,807
48	82	81,578
49	83	84,432
50	84	87,371
51	85	90,399
52	86	90,399
53	87	90,399
54	88	90,399
55	89	90,399
56	90	90,399
57	91	90,399
58	92	90,399
59	93	90,399
60	94	90,399
		2,179,446

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.