

Indexed Universal Life vs. Variable Universal Life

For: Robert and Abby Altman



Presented By: _____

[Licensed user's name appears here]

Comparison of Life Insurance Policies

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

Insured: Robert Altman

Preface

In the accompanying pages is an analysis that compares costs and benefits of different life insurance policies.

There are two policies included in this analysis, allowing you to easily review how the plans differ in terms of premiums, loan proceeds, cash accumulation, death benefits, and internal rates of return.

A mathematical evaluation is not the only important item to study when purchasing life insurance. Others are:

1. The financial strength of the company;
2. Suitability of the type of plan;

3. Plan provisions and contractual guarantees;
4. Reputation of the agent or broker.

An analysis of these points, along with conclusions drawn from the accompanying reports, should be useful to you as part of the evaluation of your life insurance purchase. Below is a graphic summarizing the results of the accompanying presentation.

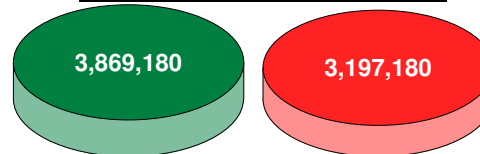
■ Indexed Universal Life @ 7.00%

■ Variable Universal Life @ 8.00%

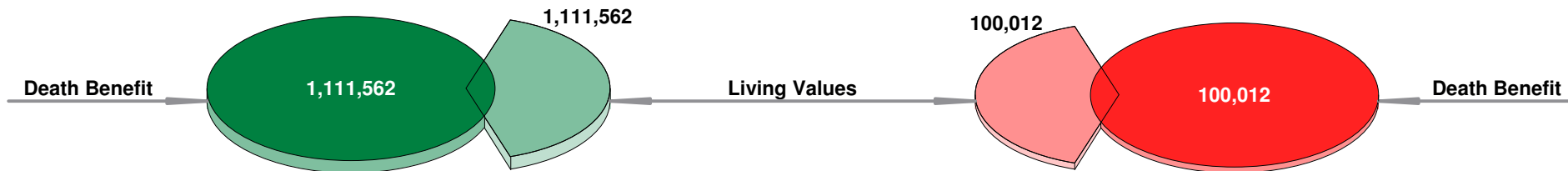
Cumulative Premium Payments



Cumulative After Tax Cash Flow



Comparison of Policy Values at year 60



This graphic and the other reports in this presentation assume the non-guaranteed values of the life insurance policies under consideration. These non-guaranteed values are hypothetical only. Actual results will vary and be more or less favorable depending upon a number of factors. Please review all carrier illustrations and disclaimers in conjunction with this presentation.

Comparison of Life Insurance Policies

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

Insured: Robert Altman

Comparison of Values

Yr	Male Age	(1) Premium Payment	Indexed Universal Life Interest Rate: 7.00% Carrier C			Variable Universal Life Interest Rate: 8.00% Carrier D		
			(2) After Tax Policy Loan Proceeds	(3) Year End Surrender Value*	(4) Death Benefit	(5) After Tax Policy Loan Proceeds	(6) Year End Surrender Value*	(7) Death Benefit
1	41	20,000	0	5,432	519,938	0	6,752	527,168
2	42	20,000	0	25,959	539,200	0	26,577	546,763
3	43	20,000	0	47,765	559,746	0	47,769	567,726
4	44	20,000	0	70,938	581,654	0	70,342	590,176
5	45	20,000	0	95,556	605,012	0	95,448	614,224
6	46	20,000	0	121,832	630,029	0	121,731	639,992
7	47	20,000	0	149,907	656,839	0	150,635	667,599
8	48	20,000	0	179,918	685,590	0	181,693	697,178
9	49	20,000	0	212,030	716,437	0	215,287	728,865
10	50	20,000	0	246,377	749,525	0	253,626	762,808
11	51	20,000	0	284,564	786,452	0	292,755	801,937
12	52	20,000	0	324,011	825,899	0	334,724	843,906
13	53	20,000	0	366,145	868,033	0	379,728	888,910
14	54	20,000	0	411,137	913,025	0	427,987	937,169
15	55	20,000	0	459,177	961,065	0	479,745	988,927
16	56	20,000	0	510,457	1,012,345	0	535,241	1,044,423
17	57	20,000	0	565,207	1,067,095	0	594,758	1,103,940
18	58	20,000	0	623,664	1,125,552	0	658,588	1,167,770
19	59	20,000	0	686,079	1,187,967	0	727,035	1,236,217
20	60	20,000	0	752,721	1,254,609	0	800,427	1,309,609
21	61	20,000	0	823,864	1,325,752	0	879,116	1,388,298
22	62	20,000	0	899,792	1,401,680	0	963,470	1,472,652
23	63	20,000	0	980,793	1,482,681	0	1,053,897	1,563,079
24	64	20,000	0	1,067,177	1,569,065	0	1,150,833	1,660,015
25	65	20,000	0	1,159,266	1,661,154	0	1,254,748	1,763,930
26	66	0	110,548	1,121,935	1,369,537	91,348	1,247,145	1,672,582
27	67	0	110,548	1,084,053	1,335,235	91,348	1,239,248	1,581,234
28	68	0	110,548	1,045,689	1,299,781	91,348	1,231,118	1,489,886
29	69	0	110,548	1,006,922	1,263,149	91,348	1,222,801	1,418,449
30	70	0	110,548	967,826	1,225,300	91,348	1,214,005	1,396,106
		500,000	552,740			456,740		

*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 basic illustrations from the issuing life insurance companies.

Comparison of Life Insurance Policies

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

Insured: Robert Altman

Comparison of Values

Yr	Male Age	(1) Premium Payment	Indexed Universal Life Interest Rate: 7.00% Carrier C			Variable Universal Life Interest Rate: 8.00% Carrier D		
			Moderate			Moderately Aggressive		
			(2) After Tax Policy Loan Proceeds	(3) Year End Surrender Value*	(4) Death Benefit	(5) After Tax Policy Loan Proceeds	(6) Year End Surrender Value*	(7) Death Benefit
31	71	0	110,548	928,873	1,186,634	91,348	1,204,404	1,367,353
32	72	0	110,548	890,464	1,129,085	91,348	1,194,058	1,341,156
33	73	0	110,548	852,845	1,068,584	91,348	1,182,961	1,310,960
34	74	0	110,548	816,290	1,004,948	91,348	1,171,127	1,276,710
35	75	0	110,548	781,082	937,957	91,348	1,158,583	1,238,368
36	76	0	110,548	747,249	867,064	91,348	1,145,383	1,229,604
37	77	0	110,548	714,482	842,585	91,348	1,130,983	1,219,681
38	78	0	110,548	682,968	819,919	91,348	1,115,260	1,208,474
39	79	0	110,548	652,930	799,322	91,348	1,098,082	1,195,845
40	80	0	110,548	624,574	781,040	91,348	1,079,303	1,181,643
41	81	0	110,548	598,062	765,268	91,348	1,058,762	1,165,702
42	82	0	110,548	573,589	752,240	91,348	1,036,281	1,147,835
43	83	0	110,548	551,365	742,207	91,348	1,011,661	1,127,838
44	84	0	110,548	531,566	735,386	91,348	984,679	1,105,477
45	85	0	110,548	514,376	732,002	91,348	955,073	1,080,481
46	86	0	110,548	499,798	732,095	91,348	922,551	1,052,545
47	87	0	110,548	487,725	735,587	91,348	886,796	1,021,339
48	88	0	110,548	478,017	742,371	91,348	847,460	986,499
49	89	0	110,548	470,439	752,241	91,348	804,156	947,621
50	90	0	110,548	464,334	764,548	91,348	756,443	904,246
51	91	0	110,548	458,732	778,320	91,348	703,918	825,546
52	92	0	110,548	461,426	733,713	91,348	648,536	742,293
53	93	0	110,548	475,493	693,131	91,348	590,564	654,764
54	94	0	110,548	505,125	659,910	91,348	530,321	563,274
55	95	0	110,548	555,918	638,596	91,348	468,219	468,219
56	96	0	110,548	632,902	632,902	91,348	404,790	404,790
57	97	0	110,548	725,308	725,308	91,348	336,623	336,623
58	98	0	110,548	834,717	834,717	91,348	263,362	263,362
59	99	0	110,548	962,848	962,848	91,348	184,628	184,628
60	100	0	110,548	1,111,562	1,111,562	91,348	100,012	100,012
		500,000	3,869,180			3,197,180		

*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 basic illustrations from the issuing life insurance companies.

Comparison of Life Insurance Policies

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

Insured: Robert Altman

Net Rates of Return Required on Premium to Match Policy Values

Income Tax Rate 30.00%			Indexed Universal Life Interest Rate: 7.00% Carrier C			Variable Universal Life Interest Rate: 8.00% Carrier D		
Yr	Male Age	(1) Premium Payment	Moderate			Moderately Aggressive		
			(2) After Tax Policy Loan Proceeds	(3) Year End Surrender Value*	(4) Death Benefit	(5) After Tax Policy Loan Proceeds	(6) Year End Surrender Value*	(7) Death Benefit
1	41	20,000	0	-72.84	2499.69	0	-66.24	2535.84
2	42	20,000	0	-25.58	371.63	0	-24.35	375.24
3	43	20,000	0	-10.98	163.92	0	-10.97	165.38
4	44	20,000	0	-4.75	98.11	0	-5.08	98.99
5	45	20,000	0	-1.51	67.52	0	-1.55	68.17
6	46	20,000	0	0.43	50.34	0	0.41	50.86
7	47	20,000	0	1.71	39.55	0	1.83	39.99
8	48	20,000	0	2.60	32.25	0	2.82	32.63
9	49	20,000	0	3.26	27.05	0	3.56	27.39
10	50	20,000	0	3.76	23.20	0	4.28	23.51
11	51	20,000	0	4.23	20.30	0	4.69	20.60
12	52	20,000	0	4.54	18.03	0	5.02	18.33
13	53	20,000	0	4.78	16.22	0	5.28	16.53
14	54	20,000	0	4.99	14.76	0	5.49	15.07
15	55	20,000	0	5.16	13.56	0	5.67	13.88
16	56	20,000	0	5.30	12.58	0	5.82	12.90
17	57	20,000	0	5.42	11.75	0	5.94	12.08
18	58	20,000	0	5.53	11.06	0	6.05	11.39
19	59	20,000	0	5.62	10.47	0	6.14	10.81
20	60	20,000	0	5.70	9.96	0	6.22	10.31
21	61	20,000	0	5.77	9.54	0	6.29	9.89
22	62	20,000	0	5.83	9.17	0	6.35	9.53
23	63	20,000	0	5.89	8.85	0	6.41	9.21
24	64	20,000	0	5.93	8.57	0	6.46	8.94
25	65	20,000	0	5.98	8.33	0	6.50	8.71
26	66	0	110,548	6.03	7.17	91,348	6.54	8.23
27	67	0	110,548	6.08	7.11	91,348	6.57	7.82
28	68	0	110,548	6.14	7.07	91,348	6.60	7.47
29	69	0	110,548	6.19	7.04	91,348	6.63	7.23
30	70	0	110,548	6.24	7.02	91,348	6.65	7.16
		500,000	552,740		456,740			

*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 basic illustrations from the issuing life insurance companies.

Comparison of Life Insurance Policies

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

Insured: Robert Altman

Net Rates of Return Required on Premium to Match Policy Values

		Income Tax Rate 30.00%	Indexed Universal Life Interest Rate: 7.00% Carrier C			Variable Universal Life Interest Rate: 8.00% Carrier D		
		(1)	Moderate			Moderately Aggressive		
Yr	Male Age	Premium Payment	(2) After Tax Policy Loan Proceeds	(3) Year End Surrender Value*	(4) Death Benefit	(5) After Tax Policy Loan Proceeds	(6) Year End Surrender Value*	(7) Death Benefit
31	71	0	110,548	6.30	7.00	91,348	6.67	7.09
32	72	0	110,548	6.35	6.95	91,348	6.69	7.03
33	73	0	110,548	6.41	6.91	91,348	6.70	6.98
34	74	0	110,548	6.47	6.87	91,348	6.71	6.92
35	75	0	110,548	6.53	6.84	91,348	6.72	6.87
36	76	0	110,548	6.59	6.81	91,348	6.74	6.88
37	77	0	110,548	6.65	6.86	91,348	6.75	6.88
38	78	0	110,548	6.71	6.92	91,348	6.75	6.88
39	79	0	110,548	6.77	6.97	91,348	6.76	6.89
40	80	0	110,548	6.83	7.02	91,348	6.77	6.89
41	81	0	110,548	6.89	7.07	91,348	6.77	6.89
42	82	0	110,548	6.94	7.13	91,348	6.77	6.89
43	83	0	110,548	7.00	7.17	91,348	6.78	6.89
44	84	0	110,548	7.05	7.22	91,348	6.78	6.89
45	85	0	110,548	7.10	7.27	91,348	6.78	6.88
46	86	0	110,548	7.15	7.31	91,348	6.78	6.88
47	87	0	110,548	7.20	7.36	91,348	6.78	6.87
48	88	0	110,548	7.24	7.40	91,348	6.78	6.87
49	89	0	110,548	7.28	7.43	91,348	6.78	6.86
50	90	0	110,548	7.32	7.47	91,348	6.77	6.86
51	91	0	110,548	7.36	7.50	91,348	6.77	6.84
52	92	0	110,548	7.40	7.51	91,348	6.77	6.81
53	93	0	110,548	7.43	7.51	91,348	6.76	6.79
54	94	0	110,548	7.47	7.53	91,348	6.76	6.78
55	95	0	110,548	7.52	7.54	91,348	6.76	6.76
56	96	0	110,548	7.56	7.56	91,348	6.76	6.76
57	97	0	110,548	7.60	7.60	91,348	6.76	6.76
58	98	0	110,548	7.64	7.64	91,348	6.77	6.77
59	99	0	110,548	7.68	7.68	91,348	6.77	6.77
60	100	0	110,548	7.72	7.72	91,348	6.77	6.77
		500,000	3,869,180			3,197,180		

*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 basic illustrations from the issuing life insurance companies.

Comparison of Life Insurance Policies

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

Insured: Robert Altman

Pre-Tax Equivalent Rates of Return Required on Premium to Match Policy Values

Income Tax Rate 30.00%			Indexed Universal Life Interest Rate: 7.00% Carrier C			Variable Universal Life Interest Rate: 8.00% Carrier D		
Yr	Male Age	(1) Premium Payment	Moderate			Moderately Aggressive		
			(2) After Tax Policy Loan Proceeds	(3) Year End Surrender Value*	(4) Death Benefit	(5) After Tax Policy Loan Proceeds	(6) Year End Surrender Value*	(7) Death Benefit
1	41	20,000	0	-72.84	3570.99	0	-66.24	3622.63
2	42	20,000	0	-25.58	530.90	0	-24.35	536.06
3	43	20,000	0	-10.98	234.17	0	-10.97	236.26
4	44	20,000	0	-4.75	140.15	0	-5.08	141.42
5	45	20,000	0	-1.51	96.46	0	-1.55	97.38
6	46	20,000	0	0.62	71.92	0	0.58	72.66
7	47	20,000	0	2.44	56.51	0	2.62	57.13
8	48	20,000	0	3.72	46.08	0	4.03	46.62
9	49	20,000	0	4.66	38.65	0	5.09	39.13
10	50	20,000	0	5.37	33.15	0	6.11	33.58
11	51	20,000	0	6.05	29.00	0	6.71	29.43
12	52	20,000	0	6.48	25.75	0	7.17	26.19
13	53	20,000	0	6.83	23.17	0	7.55	23.61
14	54	20,000	0	7.12	21.09	0	7.85	21.53
15	55	20,000	0	7.37	19.38	0	8.10	19.83
16	56	20,000	0	7.57	17.97	0	8.31	18.43
17	57	20,000	0	7.74	16.79	0	8.49	17.26
18	58	20,000	0	7.89	15.79	0	8.64	16.27
19	59	20,000	0	8.02	14.95	0	8.77	15.44
20	60	20,000	0	8.14	14.24	0	8.89	14.73
21	61	20,000	0	8.24	13.62	0	8.99	14.13
22	62	20,000	0	8.33	13.09	0	9.08	13.61
23	63	20,000	0	8.41	12.64	0	9.16	13.16
24	64	20,000	0	8.48	12.24	0	9.23	12.78
25	65	20,000	0	8.54	11.89	0	9.29	12.44
26	66	0	110,548	8.62	10.24	91,348	9.34	11.76
27	67	0	110,548	8.69	10.16	91,348	9.39	11.17
28	68	0	110,548	8.77	10.11	91,348	9.43	10.68
29	69	0	110,548	8.84	10.06	91,348	9.47	10.33
30	70	0	110,548	8.92	10.03	91,348	9.50	10.23
		500,000	552,740		456,740			

*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 basic illustrations from the issuing life insurance companies.

Comparison of Life Insurance Policies

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

Insured: Robert Altman

Pre-Tax Equivalent Rates of Return Required on Premium to Match Policy Values

Income Tax Rate 30.00%		Indexed Universal Life Interest Rate: 7.00% Carrier C			Variable Universal Life Interest Rate: 8.00% Carrier D			
Yr	Male Age	(1) Premium Payment	Moderate			Moderately Aggressive		
			(2) After Tax Policy Loan Proceeds	(3) Year End Surrender Value*	(4) Death Benefit	(5) After Tax Policy Loan Proceeds	(6) Year End Surrender Value*	(7) Death Benefit
31	71	0	110,548	9.00	10.01	91,348	9.53	10.12
32	72	0	110,548	9.08	9.93	91,348	9.55	10.04
33	73	0	110,548	9.16	9.87	91,348	9.57	9.97
34	74	0	110,548	9.24	9.81	91,348	9.59	9.89
35	75	0	110,548	9.33	9.77	91,348	9.61	9.81
36	76	0	110,548	9.42	9.72	91,348	9.62	9.82
37	77	0	110,548	9.50	9.80	91,348	9.64	9.83
38	78	0	110,548	9.59	9.88	91,348	9.65	9.84
39	79	0	110,548	9.68	9.96	91,348	9.66	9.84
40	80	0	110,548	9.76	10.03	91,348	9.66	9.84
41	81	0	110,548	9.84	10.11	91,348	9.67	9.84
42	82	0	110,548	9.92	10.18	91,348	9.68	9.84
43	83	0	110,548	10.00	10.25	91,348	9.68	9.84
44	84	0	110,548	10.07	10.32	91,348	9.68	9.84
45	85	0	110,548	10.15	10.38	91,348	9.68	9.83
46	86	0	110,548	10.22	10.45	91,348	9.68	9.83
47	87	0	110,548	10.28	10.51	91,348	9.68	9.82
48	88	0	110,548	10.35	10.56	91,348	9.68	9.81
49	89	0	110,548	10.41	10.62	91,348	9.68	9.81
50	90	0	110,548	10.46	10.67	91,348	9.67	9.80
51	91	0	110,548	10.51	10.71	91,348	9.67	9.76
52	92	0	110,548	10.57	10.72	91,348	9.67	9.73
53	93	0	110,548	10.62	10.74	91,348	9.66	9.71
54	94	0	110,548	10.68	10.75	91,348	9.66	9.68
55	95	0	110,548	10.74	10.77	91,348	9.66	9.66
56	96	0	110,548	10.80	10.80	91,348	9.66	9.66
57	97	0	110,548	10.86	10.86	91,348	9.66	9.66
58	98	0	110,548	10.92	10.92	91,348	9.66	9.66
59	99	0	110,548	10.97	10.97	91,348	9.66	9.66
60	100	0	110,548	11.02	11.02	91,348	9.66	9.66
		500,000	3,869,180			3,197,180		

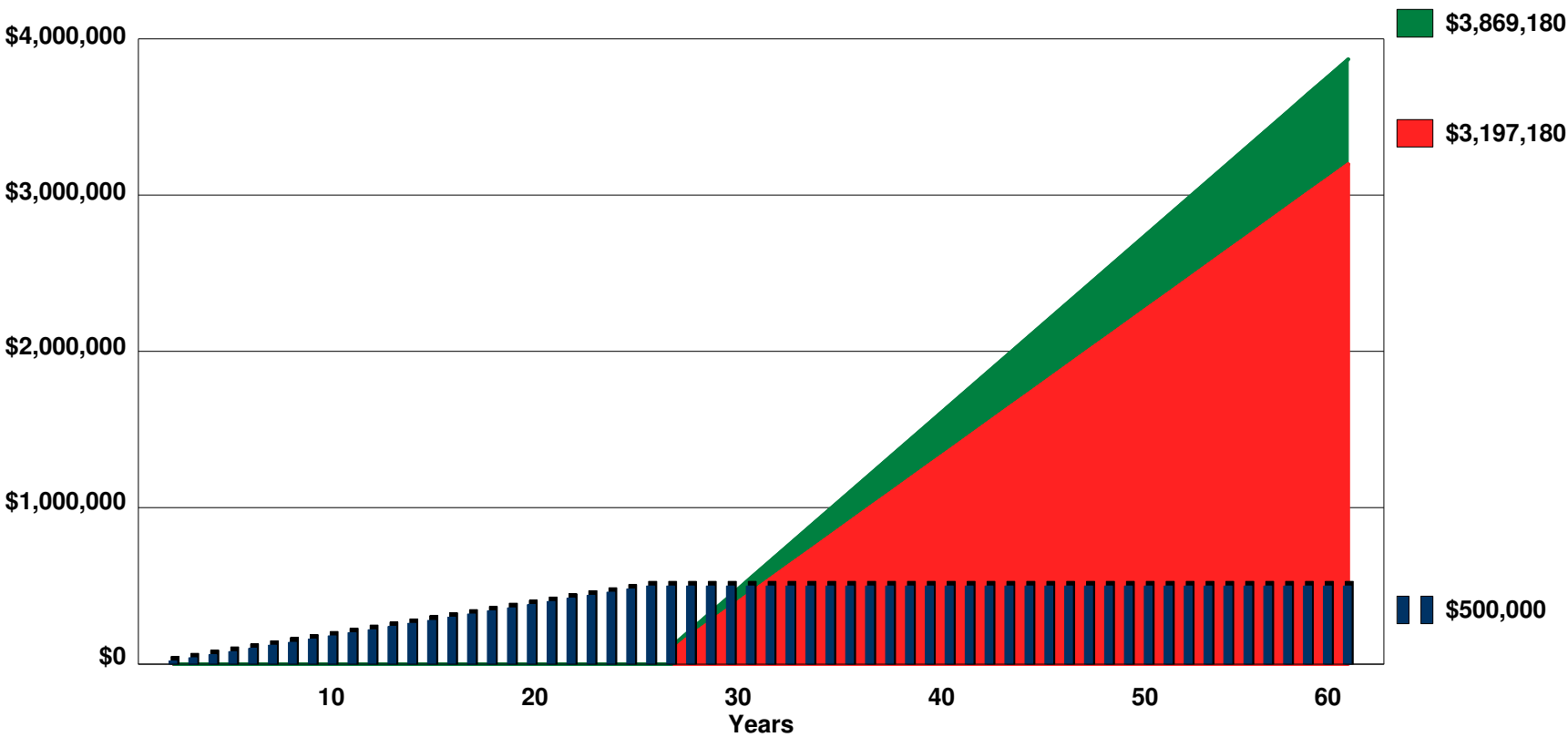
*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by basic illustrations from the issuing life insurance companies.

Comparison of Life Insurance Policies

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

Insured: Robert Altman

60 Year Summary Analysis of Cumulative After Tax Loan Proceeds



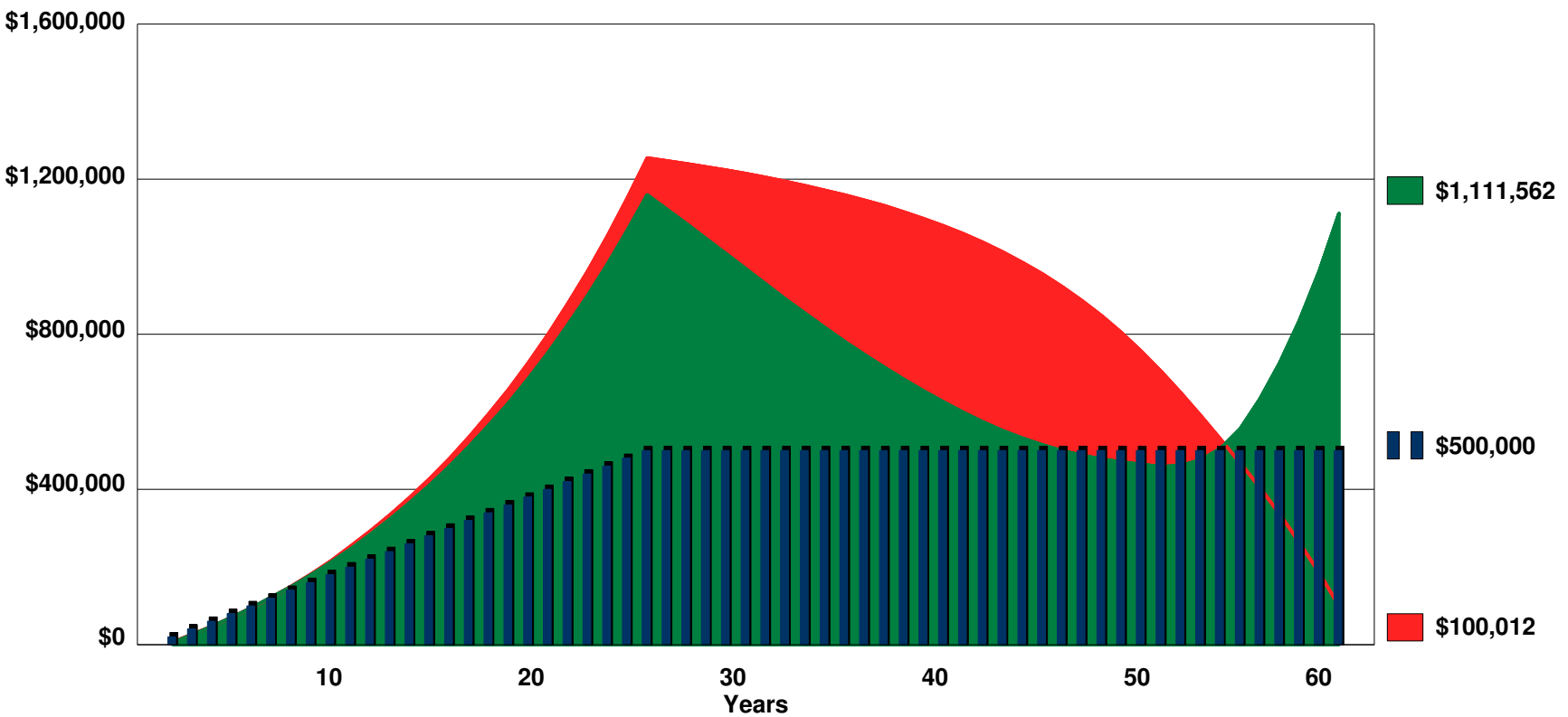
	At Year 60
Cumulative Premium Payment	\$500,000
Indexed Universal Life @ 7.00%	\$3,869,180
Variable Universal Life @ 8.00%	\$3,197,180

Comparison of Life Insurance Policies

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

Insured: Robert Altman

60 Year Summary Analysis of Surrender Values



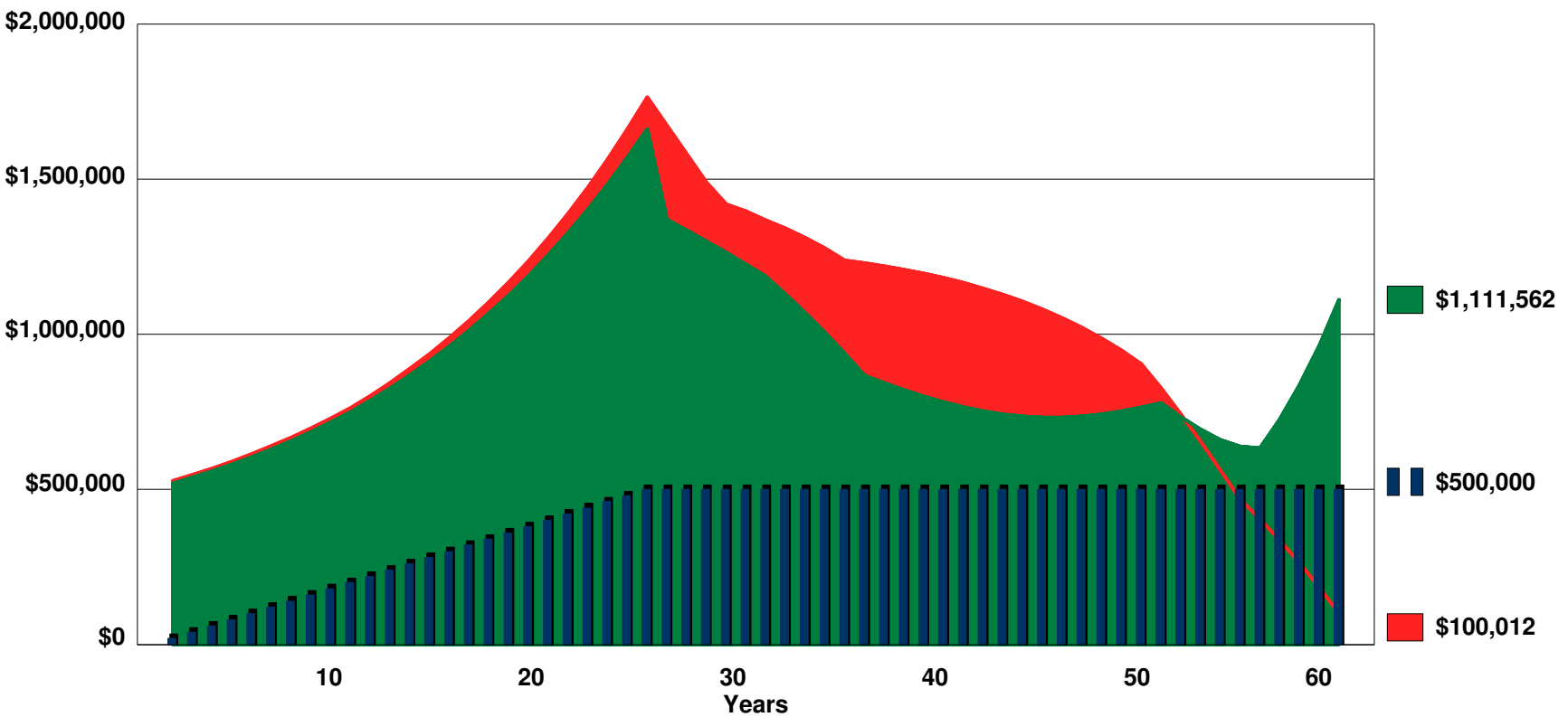
	<u>At Year 60</u>
Cumulative Premium Payment	\$500,000
Indexed Universal Life @ 7.00%	\$1,111,562
Variable Universal Life @ 8.00%	\$100,012

Comparison of Life Insurance Policies

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

Insured: Robert Altman

60 Year Summary Analysis of Death Benefits



At Year 60

Cumulative Premium Payment	\$500,000
Indexed Universal Life @ 7.00%	\$1,111,562
Variable Universal Life @ 8.00%	\$100,012

Comparison of Life Insurance Policies

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

Insured: Robert Altman

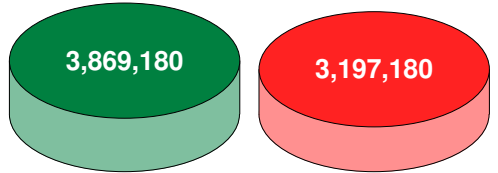
60th Year Summary Analysis of Net Rates of Return

■ Indexed Universal Life @ 7.00% ■ Variable Universal Life @ 8.00%

Cumulative Premium Payments



Cumulative After Tax Cash Flow



Comparison of Net Rates of Return



Comparison of Life Insurance Policies

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Insured: Robert Altman

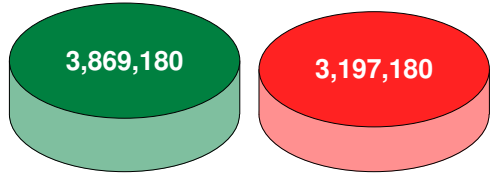
60th Year Summary Analysis of Pre-Tax Equivalent Rates of Return

■ Indexed Universal Life @ 7.00% ■ Variable Universal Life @ 8.00%

Cumulative Premium Payments



Cumulative After Tax Cash Flow



Comparison of Pre-Tax Equivalent Rates of Return

