



CASE STUDY: POLICY REVIEW

Opportunities in the Current Market

THE CHALLENGE

For many years people have been attracted to whole life insurance for the long-term death benefit guarantees and cash value growth, but what these policies offer in terms of guarantees, they often lack in competitive pricing and flexibility.

THE OPPORTUNITY

Recently, one of our advisors audited their client's insurance portfolio and uncovered a whole life policy with a \$1MM death benefit, with a \$10,000 annual premium and approximately \$75,000 in cash value.

The Solution

Through our policy evaluation process we reviewed the objectives and inner workings of his existing insurance to help ensure they fulfilled their intended purpose.

The client was comfortable with his annual premium commitment and his main objective was to maximize death benefit. The client was pleasantly surprised when, following our review of the market, we were able to more than double his death benefit for the same amount of premium. Better yet, the new policy still allowed for cash value growth and maintained lifetime guarantees.

MOVING FORWARD

There is leverage to be had in the current marketplace for client's who's goal is death benefit maximization. We can help take away interest rate risk from the client's insurance portfolio and leverage the cash value to get larger and/or longer guaranteed death benefit. Any policy with cash value more than 10 years old needs to be looked at, especially whole life contracts.



Market Analysis Report

Prepared for: Valued Client - Advisor: John Doe



Independent Life
Insurance Reviews

CURRENT POLICY INFO

Insured: Valued Client
DOB: 6/17/1981
Carrier: Ameritas
Product: Whole Life
Risk Class: Preferred Non-Smoker
Policy Date: 10/13/2011
Policy Owner: Insured
Face Amount: \$1,000,000
Planned Premium: \$10,460
Surrender Value: \$76,000
Guaranteed in-force to: Age 121
Projected in-force to: Age 121
Projected Cash Value at 65: \$667,340
Projected Cash Value at 85: \$1,607,700

This report should only be used with the complete illustrations, reports, and the professional interpretation of a properly licensed representative.
This is not tax or legal advice.

Premium Reduction Alternatives

Purchase a new Universal Life policy and maintain the current \$1 Million guaranteed face amount

<i>Carrier</i>	<i>Premium</i>	<i>Face Amount</i>	<i>Guaranteed/Projected</i>
Current Policy	\$10,460	\$1,000,000	121/121
Prudential	\$2,474	\$1,000,000	121/121
Securian	\$2,663	\$1,000,000	100/100
Lincoln	\$3,168	\$1,000,000	125/125

The premium can be decreased by over 76% while maintaining the same death benefit amount

Death Benefit Alternatives

Purchase a new Universal Life policy and maintain the current \$10,460 annual premium.

<i>Carrier</i>	<i>Premium</i>	<i>Face Amount</i>	<i>Cash Value at 70</i>
Current Policy	\$10,460	\$1,000,000	\$839,146
Prudential	\$10,460	\$2,174,068	\$985,182
Securian	\$10,460	\$2,104,500	\$692,388
Prudential	\$10,460	\$1,886,875	\$907,619

With no increase in premium, the coverage can be increased by 117%