

## Male age 45, Preferred Non-Smoker

|   | <b>Taxable Account</b> | <b>Leveraged Way</b> |
|---|------------------------|----------------------|
| <b>Cumulative Cost over funding year (19 years)</b> | \$ 1,951,736 **        | \$ 1,951,736 *       |
| <b>Rate of Return</b>                               | 7.25%                  | 7.25% <sup>1</sup>   |
| <b>Income – net after tax</b>                       | \$ 458,818             | \$ 458,818           |
| <b>Income Tax Rate</b>                              | 35%                    | 0% <sup>2</sup>      |
| Income payment beginning at age:                    | 65                     | 65                   |
| Payable over:                                       | 9 yrs                  | 20 yrs               |
| <b>Total Income Paid:</b>                           | \$ 3,786,436           | \$ 9,176,360         |
| Death Benefit at LE (34 yrs):                       | 0                      | \$ 3,155,181         |
| <b>Total Benefit LE (34 yrs):</b>                   | <b>\$ 3,786,436</b>    | <b>\$ 12,331,541</b> |

\* Cumulative Interest cost to finance the purchase of a life insurance assuming a 2.75% borrowing rate

\*\* Identical cumulative cash flow deposited into a taxable interest earning account

<sup>1</sup> Index Universal Life policy crediting rate in year one is 5.35%, 7.25% thereafter

<sup>2</sup> Income tax-free and represents annual policy loans provided the policy is not a Modified Endowment Contract.