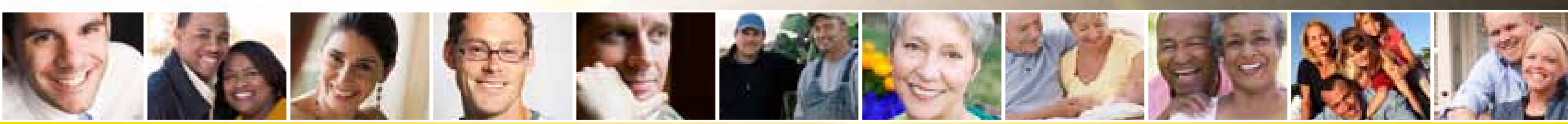
Sales Ideas

FOR THE INSURANCE PROFESSIONAL



Form 15081

14817 264519 **(Rev.1/10)**

Sales Ideas

FOR THE INSURANCE PROFESSIONAL

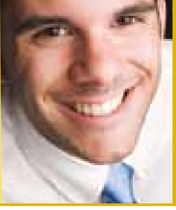
Table of Contents

Poor's, and Standard & Poor's makes no representation regarding the advisability of purchasing these products. Non-Guaranteed Elements of Life Insurance. Many aspects of a life insurance contract are guaranteed, including the minimum interest rate and maximum charges. However, other aspects of the policy cannot be predicted, for example the interest rate credited may exceed the guaranteed rate, and monthly charges may be less than the maximum guaranteed charges. The non-guaranteed elements can improve the value of a life insurance policy by increasing the contract's cash value and/or death benefit. Variations in these factors could affect: death benefits, net cash value, or cash flow taken from the policy. The non-guaranteed cash surrender values and non-guaranteed death benefits provided in this guide offer snapshots of the contract values assuming higher interest and lower charges than those that are guaranteed. Since these elements cannot be predicted, ranges of results are illustrated. The actual policy values will be less or more favorable than these illustrated results. The numeric illustrations provided in this guide also assume all premium outlays are paid as shown. Unless otherwise stated, all values shown are determined as of the end of the contract year. All values are based on the actual Modal Premium Payment selected. The non-guaranteed benefits and values are based on assumptions that are subject to change by the company.

The following examples are purely hypothetical. Some of these concepts represent a conceptual summary of a more complex legal transaction which can only be initiated with the assistance of a licensed attorney.

14817 264519

For Agent Use Only



SALES IDEA

Get the Wellness Advantage on Your No-Lapse Guarantee Sales

AVIVA

Situation: Tim Judd is in need of a $500,000 permanent life insurance policy that is guaranteed.

Tim has been shopping around and is looking for the most affordable coverage. When Tim approached his life insurance agent he was presented with one of Aviva's unique products. Tim's agent explained how the benefits of the Wellness for Life® Rider v2 could be used with the Advantage Builder Series III to potentially decrease the already competitive No-Lapse Guarantee premium.

Solution: Advantage Builder Series III with Wellness for Life® Rider v2

Male, age 35, Standard, non-tobacco
$2,597 annual premium
$500,000 initial face amount

Starting Policy Year	Age	Gross Annual Premium Outlay	Wellness Reward Amount	Net NLG Premium
10	45	$2,597	$27	$2,574
20	55	$2,597	$134	$2,480
30	65	$2,597	$356	$2,274
40	75	$2,597	$856	$1,814
50	85	$2,597	$2,550	$357
51	86	$2,597	$2,930	$47
52	87	$2,597	$3,399	$0
53	88	$2,597	$3,987	$0
54	89	$2,597	$4,586	$0
55	90	$2,597	$5,030	$0

Decreasing NLG Premium

Premium Decreases to $0.00 by year 51 with the .50% reduction of Wellness Rewards

NLG Premium

The values and benefits on this supplemental illustration are not guaranteed and are subject to change unless the column is marked guaranteed. Not valid without basic and full illustration.

Conclusion:

After learning about the Wellness for Life® Rider v2 and the effect it could have on his policy, Tim decided to purchase the Advantage Builder Series III with the Wellness for Life® Rider v2, knowing that he could use the Wellness Rewards to either decrease his No-Lapse Guarantee premium or increase the cash values within his policy.

SALES IDEA

Get the Wellness Advantage on Your No-Lapse Guarantee Sales - Scenario 2

Situation: What if Tim Judd still likes the idea of the Wellness for Life® Rider v2, but wants a built in guarantee? His agent could offer him Aviva's permanent traditional universal life policy, Guarantee UL Solution Series II

Solution: Guarantee UL Solution Series II

Male, age 35, Standard, non-tobacco
$2,726 annual premium
$500,000 initial face amount

Starting Policy Year	Age	Gross Annual Premium Outlay	Wellness Reward Amount	Net NLG Premium
10	45	$2,726	$33	$2,698
20	55	$2,726	$152	$2,593
30	65	$2,726	$403	$2,362
40	75	$2,726	$1,116	$1,728
50	85	$2,726	$3,118	$0
51	86	$2,726	$3,441	$0
52	87	$2,726	$3,798	$0
53	88	$2,726	$4,187	$0
54	89	$2,726	$4,604	$0
55	90	$2,726	$5,053	$0

Decreasing NLG Premium

Premium Decreases to $0.00 by year 50 with the .50% reduction of Wellness Rewards

NLG Premium

The values and benefits on this supplemental illustration are not guaranteed and are subject to change unless the column is marked guaranteed. Not valid without basic and full illustration.

Conclusion: Tim Judd could purchase the Guarantee UL Solution Series II which is a traditional fixed UL policy and still receive the benefits of the Wellness for Life® Rider v2. Tim would be able to use the Wellness Rewards to either decrease his No-Lapse Guarantee premium or increase the cash values within his policy.

14817 264519

Wealth Enhancer

AVIVA

Grace Allen is 63 years old and has $100,000 that she would like to set aside for her children. Currently, her income needs are being met and she does not need the money. However, Grace would like to have access to the money in case the need arises. She has a couple of choices to choose from for her money.

Using Life Insurance

Purchase an Advantage Builder Series III life insurance policy with a No-Lapse Guarantee to age 121.

- A single premium of $100,000 would provide an initial death benefit of $264,966.
- Though the life insurance policy would be a modified endowment contract (MEC), it provides an income-tax free death benefit, which an annuity does not.
- After 20 years, the non-guaranteed death benefit of the life policy is $314,262.
- If Grace lives to age 100 it is projected that her death benefit could be over $1 million based on current assumptions.

Using a Fixed Annuity

Purchase a traditional fixed annuity with a single premium of $100,000.

- Initial premium of $100,000 would provide an initial death benefit of $100,000.
- The gain in the annuity policy is taxable to beneficiaries at Grace's death.
- If Grace's beneficiaries are in the 30% income tax bracket, the annuity would need to grow to over $370,000 before the death benefit would be equal to that of the Advantage Builder Series III initial guaranteed death benefit.

Access to Money

Since the life insurance policy is a Modified Endowment Contract, Grace would have to pay income taxes on any withdrawals or loans to the extent of any gains in the policy. Withdrawals and loans from the MEC life policy would be taxed the same as the annuity. In addition, if she took money from the Advantage Builder Series III policy, the No-Lapse Guarantee Rider could be lost if the amount needed to fund the Rider is not made up within five-years.

Conclusion: After reviewing her options, Grace chose the life insurance policy, because she had the opportunity to leave substantially more to her children while still having access to her money in case of an emergency.

Advantage Builder Series III

Female, age 63, Standard, non-tobacco, single premium of $100,000, $264,966 initial face amount

End of Year	Age	Annual Outlay	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	64	$100,000	$90,023	$264,966
10	73	$0	$153,702	$264,966
16	79	$0	$227,413	$264,966
20	83	$0	$229,297	$314,262
30	93	$0	$602,238	$614,283
37	100	$0	$984,729	$1,004,424

Growing at a 7% interest rate, it would take the annuity 22 years for the after-tax death benefit to equal the guaranteed death benefit of the life policy. However, after 24 years, the non-guaranteed death benefit of the life policy is over $400,000.
• 25% Tax Bracket

At age 100, the cash value and death benefit are projected to be approximately $1 million.

This chart shows projected non-guaranteed values. Not valid without full basic illustration.

The IRA-RMD Dilemma

Lindsay Reynolds has $1,000,000 in her IRA. With age 70 ½ approaching, her accountant told her that she must begin taking a required minimum distribution (RMD) from her IRA in the following year.

Lindsay does not need the money, and she would like to save the full value of the IRA for her children, but she knows that they will have to pay income tax on what they receive. She asks her agent if there is anything that can be done to help.

Situation: Lindsay could follow a traditional approach to the RMDs, or she could incorporate life insurance to help her meet her objectives.

Traditional Approach

- If she dies today $1,000,000 100% is taxable
- Lump sum IRA distribution to children upon her death
- They pay full income tax

1,000,000	
-$400,000	taxes
$600,000	Net after taxes to Lindsay's kids after her death

Using Life Insurance

- Purchase a $1,000,000 Advantage Builder Series III with a No-Lapse Guarantee policy to replace the IRA money.
- The death benefit of the life insurance is income tax free to Lindsay's beneficiaries.
- An annual premium of $35,000 to age 90 will guarantee the $1 million death benefit to age 121.
- Withdraw $50,000 each year for 20 years from the IRA to pay the $35,000 life insurance premium. The difference is used to cover the income taxes on the withdrawal.
- If there is still money left in the IRA, Lindsay can give it to her children or leave it to a charity.
- Her children get a guaranteed death benefit of $1,000,000 free of federal income taxes.

Solution: Advantage Builder Series III with the Wellness for Life® Rider v2

Female, age 70, Standard, non-tobacco
$35,000 annual premium for 20 years, $1,000,000 initial face amount

End of Year	Age	Annual Outlay	Guaranteed Cash Surrender Value	Guaranteed Death Benefit
1	71	$35,000	0	1,000,000
5	75	$35,000	0	1,000,000
10	80	$35,000	0	1,000,000
15	85	$35,000	0	1,000,000
20	90	$35,000	0	1,000,000
25	95	$0	0	1,000,000
30	100	$0	0	1,000,000

After-tax distribution is placed into the policy.

Conclusion: Using life insurance with a No-Lapse Guarantee in situations involving Required Minimum Distributions can greatly enhance values for the client and the beneficiaries. This can be done by repositioning of assets to be more efficient.

SALES IDEA

Control Your Destiny

With a degree in finance, 30 year-old **Jason Green** understands that successful people have the ability to control debt and use credit wisely. He understands the necessity of having control of his financial future.

Situation: Jason has concerns about the uncertainty of financial markets and he desires to be financially independent of these uncertainties. His professional insurance agent offered to show him an idea called "Control Your Destiny."

Solution: Lifetime Builder Series II with the Wellness for Life® Rider v2

Male, age 30, preferred, non-tobacco
$3,000 annual premium, $350,000 initial face amount

End of Year	Age	Annual Outlay	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	31	$3,000	$0	$350,000
5	35	$3,000	$6,671	$350,000
10	40	$3,000	$25,231	$350,000
15	45	$3,000	$54,440	$350,000
20	50	$3,000	$94,710	$350,000
25	55	$3,000	$152,889	$350,000
30	60	$3,000	$237,974	$350,000
35	65	$3,000	$363,391	$436,070

Can borrow from the cash value at any time, or use the cash value as collateral for a loan

Can be converted to a retirement income stream

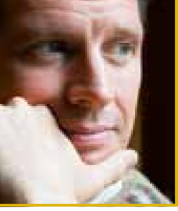
Benefits of an Indexed Universal Life policy like the Lifetime Builder Series II

- Upside potential, downside protection.
- Credited interest linked to S&P 500 Index.
- Two loan provisions, fixed interest or variable.
- Can use policy as collateral with outside lending.
- Flexibility to use cash value for family needs such as college education, emergencies, and retirement.

Variable Loan vs. Fixed Loan:

- All cash value, including that borrowed, continues to receive the interest crediting with a variable loan.
- When the variable loan rate is favorable, it is possible to create a type of arbitrage. (If Jason thinks the S&P 500 will grow more than the variable loan interest rate, he will probably use it since it would give him greater cash accumulation.)
- A fixed loan costs less, which means not as much to repay. (If Jason believes the S&P 500 is going to go down or be flat, he can use the fixed rate, which will be less expensive.)

Conclusion: Life insurance is one of the most flexible properties one can own. It can provide dollars when they are needed most. After learning about the ways he can use his Indexed Universal Life policy, Jason expressed surprise, "I didn't know life insurance could do all of these things." Life insurance can be much more than just a death benefit.



The Roth IRA Alternative

At the age of 42, **Jeremy Gray** has begun to think about retirement. He is considering a Roth IRA. He likes the idea that the cash value of a Roth IRA accumulates income tax deferred, and when he retires the income will be tax free.

When Jeremy approached his insurance agent about setting up the Roth IRA, the agent suggested that he also consider the Roth IRA Alternative … life insurance.

Situation: Jeremy can either purchase a Roth IRA or a life insurance policy to accumulate funds for retirement.

Here is how the two compare:

Feature	Roth IRA	Life Insurance
NON-DEDUCTIBLE CONTRIBUTION	Yes	Yes
TAX-DEFERRED GROWTH	Yes	Yes
TAX-FREE DISTRIBUTIONS	Yes	Yes (if non-MEC)
DEFER DISTRIBUTIONS UNTIL DEATH	Yes	Yes
INCOME TAX FREE TO BENEFICIARIES	Yes	Yes
UNLIMITED CONTRIBUTION LIMITATIONS	No	Yes, subject to guideline premium limitations
EARLY DISTRIBUTIONS WITHOUT TAX PENALTIES	No	Yes (if non-MEC)
IMMEDIATE ESTATE CREATION UPON PREMATURE DEATH	No	Yes
COMPENSATION REQUIREMENTS	Yes	No
INCOME LIMITATIONS	Yes	No

Using Life Insurance

In Jeremy's situation, he could purchase a Lifetime Builder Series II Indexed Universal Life policy. An annual premium of $5,000 would provide an initial death benefit of $303,627. As illustrated, the projected policy loan amount of $14,626 from age 65 to 100 would still leave the policy's death benefit well maintained.

- $5,000 is worth $5,000 in a Roth IRA as an ultimate benefit.
- $5,000 is worth $303,627 as an ultimate benefit from the policy date.

"Where can you find a better value? Life insurance is flexible and offers more than most clients realize."

AVIVA

Solution: Lifetime Builder Series II

Male, age 42, preferred, non-tobacco, $5,000 annual premium until age 65
$303,627 initial face amount

End of Year	Age	Annual Outlay	Loan Balance	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	43	$5,000	$0	$0	$303,627
10	52	$5,000	$0	$48,307	$303,627
20	62	$5,000	$0	$168,279	$303,627
23	65	$5,000	$0	$225,191	$303,627
24	66	-$14,626	$15,643	$226,577	$287,984
30	72	-$14,626	$135,176	$242,334	$283,860
40	82	-$14,626	$480,359	$317,147	$357,022
50	92	-$14,626	$1,156,337	$497,963	$547,592
58	100	-$14,626	$2,139,881	$857,392	$855,274

Potential cash value available for use as needs arise

At age 66, the illustration projects a maximum annual variable loan of $14,626, which Jeremy could take each year to supplement his retirement income at age 100. If Jeremy lives to age 100, this creates a potential cash flow of $511,918 versus $115,000 in premiums paid.

At age 100, the policy has more than $800,000 of projected cash value and death benefit

This chart shows projected non-guaranteed values. Not valid without full basic illustration.

Conclusion:
After reviewing his options, Jeremy chose the life insurance policy over the Roth IRA. He liked the fact that life insurance had no income limits. However, what ultimately won Jeremy over was the liquidity and flexibility of life insurance. Except in certain instances, withdrawals from Roth IRAs are generally restricted until after age 591/2, while the cash value of a life insurance policy can be withdrawn, borrowed against or used as collateral for a loan at any time.

Succession Planning

AVIVA

Jack O'Malley is 50 years old and has been a farmer his entire life. His son, Larry, who is 28, has farmed with Jack for the past six years. Jack's other three children are not interested in joining their father in his profession and have taken different career paths. Larry has already purchased one farm of his own, and Jack wants to someday pass the O'Malley family farm on to his son.

Jack's insurance agent suggested a succession plan using life insurance, where Larry could use the benefits of the policy in the event of Jack's retirement, or his untimely death, to purchase the farm and pay Jack's other children their interest in the family farm upon his death.

- **Situation: Larry can purchase a No-Lapse Guarantee life insurance policy on his father's life with premiums payable for 15 years. At that time Jack will be 65 years old, his planned retirement age. A premium of just under $14,000 for 15 years will guarantee the death benefit to age 121 for Jack.**

Solution: Advantage Builder Series III with the Wellness for Life® Rider v2

Male, age 50, standard, non-tobacco
$13,462 annual premium until age 65, $600,000 initial face amount

End of Year	Age	Annual Outlay	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	51	$13,462	$0	$600,000
10	60	$13,462	$131,678	$600,000
15	65	$13,462	$249,582	$600,000
16	66	$0	$264,520	$600,000
20	70	$0	$332,269	$600,000
30	80	$0	$627,898	$659,292
33	83	$0	$776,124	$814,930
40	90	$0	$1,262,742	$1,325,879
50	100	$0	$2,516,294	$2,566,620

Death benefit that Larry will use to buy-out his siblings' interest in the farm at Jack's death and fulfill the purchase agreement

Death benefit begins increasing at age 77 and is over $2 million at age 100

Pay the no-lapse guarantee premium years 1-15 (Jack gifts half of the premium to Larry)

Projected cash values that Larry may use as collateral for a loan or to borrow from

Conclusion: The benefits of the life insurance policy in this instance are two-fold. In the event Jack dies before he retires at age 65, the policy's death benefit would allow Larry to buy-out his siblings and continue the family farm. If Jack lived beyond age 65, Larry could use the policy's cash value to buy out his father's interest or could transfer the policy to Jack in partial satisfaction of the purchase price. Jack can then use the policy for his own cash flow or estate planning purposes.

SALES IDEA

Trusting in Life Insurance

Mary James is 50 and has a $10,000,000 estate consisting primarily of real estate and some stocks and bonds. It is currently estimated that, upon her death, Mary's estate would be subject to estate settlement costs of about $4,000,000.

Mary has three children and is interested in providing some liquidity for her estate, as well as possibly reducing the size of her estate. She has given her children small gifts, but nothing major.

Situation: Mary has the $1,000,000 lifetime gift exemption available to her.

She could establish an Irrevocable Life Insurance Trust with a one-time gift of $700,000 using part of the $1 million lifetime gift exemption. The $700,000 in the ILIT will purchase an Advantage Builder Series III Life Insurance policy with the No-Lapse Guarantee Rider. At age 100, assuming a 7.30% projected current crediting rate, the policy has grown to $14,200,000 death benefit. The GUARANTEED death benefit is still $4,000,000.

Lifetime Gift Exemption Available:	$1,000,000	
Gift to Irrevocable Trust:	$700,000	
Annual Gift Exemptions Used	-$39,000	($13,000 annually per child)
Lifetime Gift Exemption Used	-$661,000	(net after total annual exemptions)
Equals:	-$339,000	Lifetime Gift Exemption remaining
One-time gift to ILIT of	$700,000	purchases $4,000,000 of life insurance with a No-Lapse Guarantee Rider

Death Benefit at age 100: Greater than $14,200,000 … tax-free to the ILIT …this will help provide the liquidity needed for the estate settlement costs.

14817 264519

Solution: Advantage Builder Series III

Female, age 50, Standard, non-tobacco
$700,000 one-time premium, $4,000,000 initial face amount

End of Year	Age	Annual Outlay	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	51	$700,000	$627,291	$4,000,000
10	60	$0	$1,032,799	$4,000,000
20	70	$0	$1,831,956	$4,000,000
30	80	$0	$3,385,159	$4,000,000
40	90	$0	$6,861,817	$7,204,908
50	100	$0	$13,941,170	$14,219,994

One-time gift to ILIT

Projected cash values that Mary may use as collateral for a loan or to borrow from

This chart shows projected non-guaranteed values. Not valid without full basic illustration.

Conclusion:
If Mary died at age 70, her heirs would end up with a net distribution of slightly less than $5,000,000 from her nearly $10,000,000 estate, but with a policy in an ILIT, her heirs will receive approximately $9,000,000 to share.

SALES IDEA

Gift of a Lifetime

AVIVA

Betty and Bill (both age 52) are thrilled at the birth of their new grandson, Ben. They want to give baby Ben a gift that he will have for life and will cause Ben to think of his grandparents fondly.

Their insurance agent suggested that Betty and Bill consider a gift of life insurance. Properly funded, the policy could provide Ben with valuable coverage for him and his future family.

Conclusion: The original $2,000 premium per year for 10 years, which was paid by Betty and Bill—Ben's grandparents—netted Ben a non-guaranteed cash distribution of $2,301,000 through age 100, and he could still have nearly $2 million of non-guaranteed values left at age 100. This is truly a gift of a lifetime, and would remind Ben of his grandparents for the rest of his life.

Note: If Betty and Bill were to add the Life Protector Rider to their policy, Ben would be protected from incurring "phantom income" reportable on a 1099R if Ben should borrow too much money during his retirement years and cause the policy to lapse.

14817 264519

AVIVA

Solution: Lifetime Builder Series II

Male, age 0, non-tobacco, $2,000 annual premium, $250,000 initial face amount

End of Year	Age	Annual Outlay	Loan Balance	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	1	$2,000	$0	$0	$251,384
2	2	$2,000	$0	$1,514	$252,976
3	3	$2,000	$0	$3,371	$254,729
4	4	$2,000	$0	$5,388	$256,642
5	5	$2,000	$0	$7,561	$258,710
6	6	$2,000	$0	$9,884	$260,929
7	7	$2,000	$0	$12,367	$263,307
8	8	$2,000	$0	$15,023	$265,859
9	9	$2,000	$0	$17,866	$268,597
10	10	$2,000	$0	$21,049	$271,676
20	20	$0	$0	$41,794	$291,794
31	31	-$10,000	$0	$80,096	$324,532
49	49	-$10,000	$0	$292,541	$558,754
50	50	-$10,000	$10,695	$304,510	$572,435
51	51	-$20,000	$32,829	$306,813	$571,735
52	52	-$20,000	$56,502	$309,497	$569,356
53	53	-$10,000	$71,125	$323,294	$575,722
54	54	-$10,000	$86,764	$338,307	$580,598
55	55	$4,000	$88,518	$369,614	$598,680
56	56	$4,000	$90,394	$403,402	$630,547
57	57	$4,000	$92,400	$439,837	$663,377
58	58	$4,000	$94,545	$479,138	$697,138
59	59	$4,000	$96,840	$521,549	$731,802
60	60	$4,000	$99,294	$567,322	$767,307
61	61	$4,000	$101,919	$616,729	$817,951
62	62	$4,000	$104,726	$669,984	$871,408
63	63	$4,000	$107,728	$727,371	$927,795
64	64	$4,000	$110,939	$789,212	$987,246
65	65	$4,000	$114,373	$855,867	$1,049,915
66	66	-$65,000	$191,843	$853,931	$1,052,628
75	75	-$65,000	$1,182,301	$868,590	$971,134
80	80	-$65,000	$2,053,912	$930,595	$1,079,820
90	90	-$65,000	$4,980,541	$1,188,113	$1,496,546
100	100	-$65,000	$10,711,819	$1,754,984	$2,004,320
		$2,301,000			

Pay $2,000 premium annually in years 1-10 (Betty and Bill's gift to Ben)

Ben's age 31, withdraw $10,000 to cost basis for new home down payment

Ben's age 55 to 66, he repays $4,000 per year of the college loans

At Ben's age 66, he begins taking an annual loan of $65,000 to age 100

Ben's age 49, he uses loans to help cover his kids' college expenses

$10,000 annual loan ages 49 to 50

$20,000 annual loan ages 51 to 52

$10,000 annual loan ages 53 to 54

At age 100, it is projected that Ben will still have a cash value of $1,754,984 and death benefit of $2,004,320

Net amount of cash distribution that Ben received over his lifetime ($2,301,000 in total distributions versus $64,000 in premiums paid)

14817 264519

To Retirement and Beyond!

AVIVA

- **Chad Washburn** is 40, married with two children, and is beginning to think about retirement. He has not historically been interested in life insurance, but has agreed to let his insurance agent show him what he can do with an Indexed Universal Life policy.

Lifetime Builder Series II with the Wellness for Life® Rider v2 – Scenario 1

Male, age 40, preferred, non-tobacco, $5,000 annual premium until age 65
$150,000 initial face amount (increasing death benefit option to age 65)

End of Year	Age	Annual Outlay	Loan Balance	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	41	$5,000	$0	$702	$154,273
10	50	$5,000	$0	$59,715	$211,143
20	60	$5,000	$0	$197,736	$347,736
25	65	$5,000	$0	$315,386	$465,386
26	66	-$26,731	$28,590	$310,829	$436,796
35	75	-$26,731	$394,112	$272,509	$305,840
40	80	-$26,731	$712,774	$257,125	$305,770
45	85	-$26,731	$1,165,909	$248,399	$319,115
60	100	$0	$3,195,144	$1,016,957	$1,101,199

Cash values may be available for use as needs arise

At age 100, the policy is projected to have more than $1 million of cash value and death benefit

At age 66, policy projects a maximum available variable loan of $26,731 per year, which Chad could take to supplement his retirement income for 20 years

This chart shows projected non-guaranteed values. Not valid without full basic illustration.

Lifetime Builder Series II with the Wellness for Life® Rider v2 – Scenario 2

Male, age 40, preferred, non-tobacco, $5,000 annual premium until age 65
$150,000 initial face amount (increasing death benefit option to age 75)

End of Year	Age	Annual Outlay	Loan Balance	Non-Guaranteed Cash Surrender Value	Non-Guaranteed Death Benefit
1	41	$5,000	$0	$702	$154,273
10	50	$5,000	$0	$59,715	$211,143
20	60	$5,000	$0	$197,736	$347,736
25	65	$5,000	$0	$315,386	$465,386
30	70	$0	$0	$455,370	$605,370
35	75	$0	$0	$657,226	$807,226
36	76	-$56,582	$60,516	$646,634	$796,634
40	80	-$56,582	$347,676	$599,349	$749,349
45	85	-$56,582	$834,213	$526,617	$676,617
50	90	-$56,582	$1,515,074	$434,768	$584,768
55	95	-$56,582	$2,467,871	$321,847	$471,847
60	100	$0	$3,453,539	$527,556	$677,556

Cash value available for use as needs arise

At age 100, the policy is projected to have more than $500,000 of cash value

Wait until age 76 to begin receiving income. At age 76, the policy projects a maximum variable loan of $56,582 each year for 20 years

This chart shows projected non-guaranteed values. Not valid without full basic illustration.

Conclusion: Current law allows withdrawals to basis and loans to be income tax free if the policy is not a Modified Endowment Contract. The death benefit would still go to Chad's beneficiaries income tax free as well, or could be used for final expenses. Plus, the flexibility that life insurance offers allows Chad to choose how he wishes to use it.

Note: Adding the Life Protector Rider to the policy may prevent it from lapsing if Chad borrows too much from the policy.

Pay the Mortgage Early

AVIVA

When **Kevin Smithson and his wife, Gloria**, purchased their new house, he approached his insurance agent about getting additional life insurance to cover the mortgage in the event of his untimely death. He assumed his agent would suggest an inexpensive term life policy. However, Kevin was surprised when the agent presented a permanent life insurance policy with a Mortgage Balance Analysis run on the Sales Solutions illustration software.

Situation: Kevin could either purchase a term life policy to cover the mortgage in the event of his death, or a permanent life policy and use the income tax savings to more than just cover the mortgage.

The agent gave Kevin the following options:

1. In the event of his death, Kevin's mortgage could be paid off.
2. Sometime between years 20 and 21, the cash value of the permanent policy is projected to be greater than the remaining mortgage balance. At that time, Kevin could use the cash value to pay the mortgage balance. This would save him approximately $37,000 in future interest payments. It would also allow Kevin to have the mortgage paid before he retired.
3. In the event Kevin and Gloria decided to move into another house, the policy could be used to cover a new mortgage. It could also be used as a source of down payment if needed.
4. If Kevin decided not to pay off the mortgage balance, he and Gloria could continue to use the policy as life insurance protection, supplemental retirement income, or a source of emergency funds in later years.

If Kevin purchased the term policy, only option #1 would apply. If Kevin purchased a permanent policy, such as Lifetime Builder Series II Indexed Universal Life, options #1, #2, #3 and #4 apply to his situation.

Conclusion: Kevin could see the obvious benefits that the permanent policy had over the term policy, since it offered him greater planning opportunities for mortgage payoff, insurance needs and retirement planning.

AVIVA

Solution: Lifetime Builder Series II

Male, age 43, standard, non-tobacco, 3,600 annual premium until age 65
$250,000 initial face amount

Mortgage Information	
Mortgage Amount:	$250,000
Loan Interest Rate:	6%
Monthly Payment:	$1,498.88
Term:	30 Years

End of Year	Age	Annual Outlay	Years to Pay Mortgage	Sum of future mortgage payments	Sum of future interest payments	Mortgage balance	Non-Guaranteed cash surrender value	Non-Guaranteed Death Benefit
1	44	$3,600	29	$521,607	$274,677	$246,930	$0	$250,000
10	53	$3,600	20	$359,727	$150,514	$209,214	$29,139	$250,000
20	63	$3,600	10	$179,862	$44,855	$135,007	$105,491	$250,000
21	64	$3,600	9	$161,875	$37,031	$124,845	$116,306	$250,000
23	66	$0	7	$125,902	$23,302	$102,600	$132,772	$250,000
30	73	$0	0	$0	$0	$0	$214,879	$250,000
40	89	$0	0	$0	$0	$0	$449,901	$472,396
50	93	$0	0	$0	$0	$0	$924,220	$942,705
57	100	$0	0	$0	$0	$0	$1,523,020	$1,553,480

At age 100, the policy has approximately $1.5 million in death benefit

Amount saved in interest payments if mortgage was paid off early

Between policy years 20 and 21, the cash value is projected to be greater than the mortgage balance, which would allow the mortgage to be paid off

If Kevin chooses to not pay off the mortgage, the cash value is available for a down payment on another home or for supplemental retirement income

For agent use only. Products available in most states.