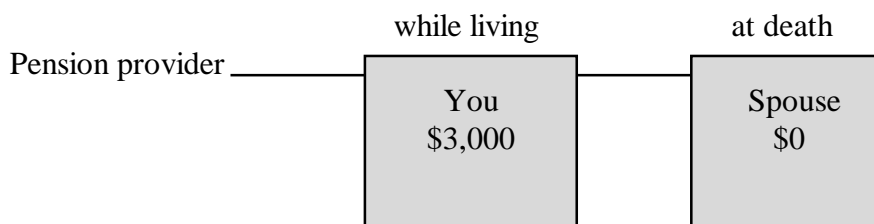


Pension Maximization

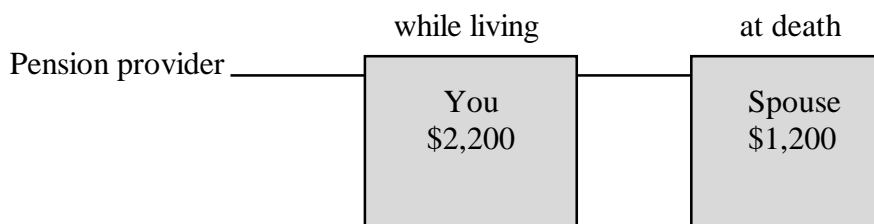
Pension Maximization is a way of using life insurance to supplement retirement options. The following are examples of scenarios offered by some companies as retirement options.

EXAMPLE:

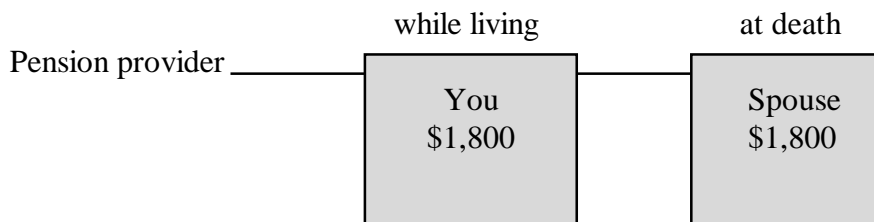
1. Example of Option-1, receive \$3,000/mo. for the rest of your life. At death no further income is received.



2. Example of Option-2, receive \$2,200/mo. for the rest of your life, and at death your surviving spouse will receive \$1,200/mo. for the remainder of their life.



3. Example of Option-3, receive \$1,800/mo. for the rest of your life, and at death your surviving spouse will receive \$1,800/mo for the remainder of their life.



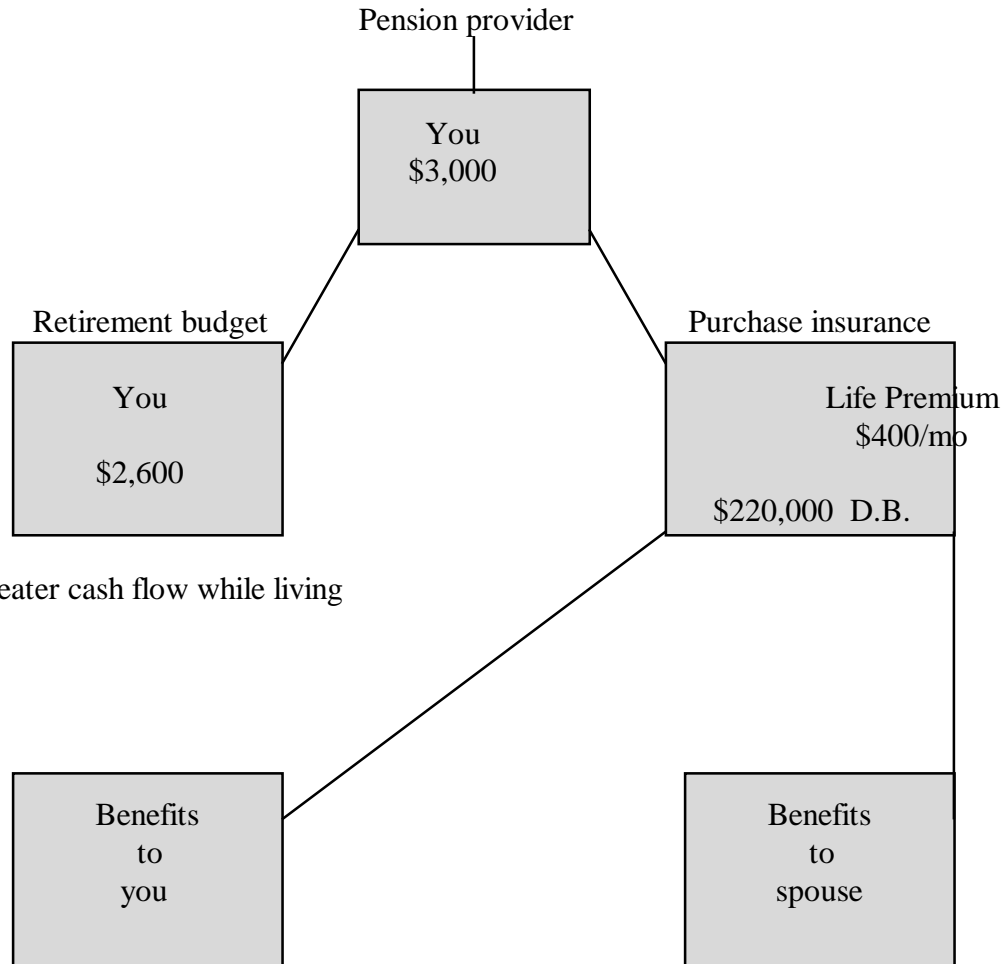
If option 2 or 3 are chosen you could:

- Permanently lose potential income while living if predeceased by wife
- Give up ability to keep pace with inflation
- Lose control of money to meet changing future needs

Pension Maximization would look like the following:

(Example: If you can qualify medically, 60-year-old male standard non-smoker)

- Choose option-1 to create largest living cash flow



- Equal or Greater cash flow while living

- Cash values of policy available for emergencies while living
- If predeceased by spouse your insurability is protected and you can maintain insurance
- If predeceased by spouse you can surrender policy and receive (cash values minus surrender charges or loans)
- If policy is surrendered, the surrender values can then be put to work to help generate greater retirement income

- Cash values of policy available for emergencies while living
- Death benefit is income tax free
- Death benefit can be available for unforeseen debts
- Death benefit can be invested or annuitized at your choice
- Death benefit is large enough to be able to create a larger monthly income for spouse
- You now have the ability to reduce the effects of inflation because death benefit is large enough to compensate for increases each year
- If death benefit is invested and you are living off of interest only, then principal is available to further pass on to heirs

The Approach:

When talking about retirement & pensions with a client, the issue is control of your future financial stability vs. Someone else having control over your money.

Control (Use Pension Max)	No Control (Alternate Pension options)
1. Choose highest possible current pension option so you control outcome of all funds.	1. Give up your ability to change direction and potential of funds at a later date.
2. You manage the ability of your money to meet your future financial needs.	2. If spouse pre-deceases you there is no way to recoup the money you sacrificed for a potential future benefit for your spouse.
3. You maintain the flexibility for retirement plans to be changed in the future.	3. Positioned your spouse to not have a Lump sum tax free benefit for emergencies, pension will not offer access to funds above the base monthly benefit if needed.
4. If spouse pre-deceases you, you control cash values of insurance and can now redirect monies to areas of immediate benefit to you.	
5. You give yourself the flexibility to use cash values while alive, and provide for a tax-free lump sum of money that can be used any way necessary at death of 1 st spouse.	