

Builder IUL7 - Guideline Premium Test vs. A Tax Deductible Retirement Plan (TDRP)

Presented By: Doug Mitchell, CLU

Insured: Valued Client

Comparison

401k / SEP IRA Yield 7.00%
 Income Tax Rate 25.00%
 Builder IUL7 - Interest Rate 7.00%
 Initial Payment 5,500
 Initial Death Benefit 112,612

		Tax Deductible Retirement Plan (TDRP)						Builder IUL7 - Guideline Premium Test				
Yr	Male Age	(1) Tax Deductible Deposits to the 401k / SEP IRA	(2) After Tax Equivalent of 401k / SEP IRA Deposit*	(3) After Tax Withdrawal from the 401k / SEP IRA**	(4) Year End Value of 401k / SEP IRA	(5) Year End Value of 401k / SEP IRA if Distributed	(6) After Tax Death Benefit of 401k / SEP IRA	(7) Policy Premium	(8) After Tax Policy Loan Proceeds	(9) Year End Accum Value***	(10) Year End Surrender Value***	(11) Death Benefit
1	45	7,333	5,500	0	7,728	5,023	5,796	5,500	0	4,980	1,883	117,592
2	46	7,333	5,500	0	15,873	10,317	11,905	5,500	0	10,253	7,218	122,865
3	47	7,333	5,500	0	24,458	15,898	18,344	5,500	0	15,853	12,880	128,465
4	48	7,333	5,500	0	33,506	21,779	25,130	5,500	0	21,800	18,951	134,412
5	49	7,333	5,500	0	43,043	27,978	32,282	5,500	0	28,120	25,394	140,732
6	50	7,333	5,500	0	53,093	34,510	39,820	5,500	0	34,822	32,220	147,434
7	51	7,333	5,500	0	63,686	41,396	47,765	5,500	0	41,946	39,468	154,558
8	52	7,333	5,500	0	74,850	48,653	56,138	5,500	0	49,534	47,242	162,146
9	53	7,333	5,500	0	86,617	56,301	64,963	5,500	0	57,630	55,524	170,242
10	54	7,333	5,500	0	99,019	64,362	74,264	5,500	0	66,256	64,336	178,868
11	55	7,333	5,500	0	112,090	72,859	84,068	5,500	0	76,765	75,093	189,377
12	56	7,333	5,500	0	125,866	81,813	94,400	5,500	0	88,064	86,702	200,676
13	57	7,333	5,500	0	140,385	91,250	105,289	5,500	0	100,214	99,161	212,826
14	58	7,333	5,500	0	155,687	101,197	116,765	5,500	0	113,291	112,610	225,903
15	59	7,333	5,500	0	171,815	111,680	128,861	5,500	0	127,354	127,045	239,966
16	60	7,333	5,500	0	188,813	141,610	141,610	5,500	0	142,466	142,466	255,078
17	61	7,333	5,500	0	206,728	155,046	155,046	5,500	0	158,691	158,691	271,303
18	62	7,333	5,500	0	225,609	169,207	169,207	5,500	0	176,116	176,116	288,728
19	63	7,333	5,500	0	245,509	184,132	184,132	5,500	0	194,818	194,818	307,430
20	64	7,333	5,500	0	266,483	199,862	199,862	5,500	0	214,883	214,883	327,495
21	65	0	0	20,683	251,795	188,846	188,846	0	20,683	230,512	208,588	305,570
22	66	0	0	20,683	236,314	177,236	177,236	0	20,683	247,402	202,238	282,331
23	67	0	0	20,683	219,999	164,999	164,999	0	20,683	265,657	195,860	257,697
24	68	0	0	20,683	202,804	152,103	152,103	0	20,683	285,419	189,510	238,031
25	69	0	0	20,683	184,681	138,511	138,511	0	20,683	306,815	183,228	232,318
26	70	0	0	20,683	165,579	124,184	124,184	0	20,683	329,814	176,887	226,359
27	71	0	0	20,683	145,447	109,085	109,085	0	20,683	354,581	170,554	216,650
28	72	0	0	20,683	124,229	93,172	93,172	0	20,683	381,272	164,280	206,220
29	73	0	0	20,683	101,867	76,400	76,400	0	20,683	410,050	158,115	195,019
30	74	0	0	20,683	78,298	58,724	58,724	0	20,683	441,104	152,129	183,006
		146,660	110,000	206,830				110,000	206,830			

Note: Tax Deductible Retirement Plan (TDRP) values do not reflect market rate adjustments, if any. Tax Deductible Retirement Plan (TDRP) is assessed:

Tax on withdrawals. Entries in Column (3) are after tax.

30 Year Summary

	401k / SEP IRA	Builder IUL7 -
After Tax Payments	110,000	110,000
After Tax Cash Flow	206,830	206,830
Living Values	58,724	152,129
Death Benefit	58,724	183,006

*Equal to Column (7)

**401k / SEP IRA withdrawal has been grossed up to account for the income tax required to produce the after tax number shown in Column (3).

***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 a proposal from North American Company.

This is an illustration, not a contract.

Builder IUL7 - Guideline Premium Test vs. A Tax Deductible Retirement Plan (TDRP)

Presented By: Doug Mitchell, CLU

Insured: Valued Client

Comparison

401k / SEP IRA Yield 7.00% Income Tax Rate 25.00% Builder IUL7 - Interest Rate 7.00% Initial Payment 5,500 Initial Death Benefit 112,612

		Tax Deductible Retirement Plan (TDRP)						Builder IUL7 - Guideline Premium Test				
Yr	Male Age	(1) Tax Deductible Deposits to the 401k / SEP IRA	(2) After Tax Equivalent of 401k / SEP IRA Deposit*	(3) After Tax Withdrawal from the 401k / SEP IRA**	(4) Year End Value of 401k / SEP IRA	(5) Year End Value of 401k / SEP IRA if Distributed	(6) After Tax Death Benefit of 401k / SEP IRA	(7) Policy Premium	(8) After Tax Policy Loan Proceeds	(9) Year End Accum Value***	(10) Year End Surrender Value***	(11) Death Benefit
31	75	0	0	20,683	53,457	40,093	40,093	0	20,683	474,651	146,413	170,146
32	76	0	0	20,683	27,277	20,458	20,458	0	20,683	510,726	140,870	166,406
33	77	0	0	20,458	0	0	0	0	20,683	549,506	135,534	163,009
34	78	0	0	0	0	0	0	0	20,683	591,177	130,444	160,002
35	79	0	0	0	0	0	0	0	20,683	635,947	125,645	157,442
36	80	0	0	0	0	0	0	0	20,683	684,018	121,174	155,375
37	81	0	0	0	0	0	0	0	20,683	735,613	117,074	153,855
38	82	0	0	0	0	0	0	0	20,683	790,970	113,395	152,944
39	83	0	0	0	0	0	0	0	20,683	850,332	110,179	152,696
40	84	0	0	0	0	0	0	0	20,683	913,955	107,468	153,166
41	85	0	0	0	0	0	0	0	20,683	982,098	105,298	154,403
42	86	0	0	0	0	0	0	0	20,683	1,054,974	103,642	156,391
43	87	0	0	0	0	0	0	0	20,683	1,132,845	102,510	159,152
44	88	0	0	0	0	0	0	0	20,683	1,215,992	101,912	162,712
45	89	0	0	0	0	0	0	0	20,683	1,304,638	101,790	167,022
46	90	0	0	0	0	0	0	0	20,683	1,399,145	102,202	172,159
47	91	0	0	0	0	0	0	0	20,683	1,501,191	104,507	164,555
48	92	0	0	0	0	0	0	0	20,683	1,611,706	109,297	157,648
49	93	0	0	0	0	0	0	0	20,683	1,731,853	117,375	152,012
50	94	0	0	0	0	0	0	0	20,683	1,863,101	129,831	148,462
51	95	0	0	0	0	0	0	0	20,683	2,007,330	148,139	148,139
52	96	0	0	0	0	0	0	0	20,683	2,162,720	170,054	170,054
53	97	0	0	0	0	0	0	0	20,683	2,330,133	195,984	195,984
54	98	0	0	0	0	0	0	0	20,683	2,510,497	226,375	226,375
55	99	0	0	0	0	0	0	0	20,683	2,704,811	261,718	261,718

146,660 110,000 268,654

110,000 723,905

Note: Tax Deductible Retirement Plan (TDRP) values do not reflect market rate adjustments, if any. Tax Deductible Retirement Plan (TDRP) is assessed:

Tax on withdrawals. Entries in Column (3) are after tax.

55 Year Summary

	401k / SEP IRA	Builder IUL7 -
After Tax Payments	110,000	110,000
After Tax Cash Flow	268,654	723,905
Living Values	0	261,718
Death Benefit	0	261,718

Management fees reflected in column (6): 1.50%

*Equal to Column (7)

**401k / SEP IRA withdrawal has been grossed up to account for the income tax required to produce the after tax number shown in Column (3).

***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 a proposal from North American Company.

This is an illustration, not a contract.