

# Retirement Needs Analysis

For: Bart and Kristin Jones



Presented By: \_\_\_\_\_

[Licensed user's name appears here]

## Preface

### General Comments

A recent Gallup survey discovered a significant series of concerns regarding retirement planning. About half of those questioned felt that the benefits they expected to receive from pensions and other employment-related retirement programs would not be enough to take care of their needs. More than half were concerned that they might run out of all funds during retirement. Two-thirds were worried a catastrophic illness or needs for nursing home care would bankrupt them. Over 90% in the survey believed saving for their retirement represented their single most important long term financial goal.

The purpose of the accompanying analysis is to compare your retirement income goals with the assets/benefits that you expect will be available to meet those goals. If there are not sufficient assets/benefits, recommendations regarding funding of a Target Retirement Account will be included in order to offset the shortfall.

"Target Retirement Account" (also referenced as "TRA") is the specific allocation of funds that is accumulated during pre-retirement years and used for distribution during retirement years.

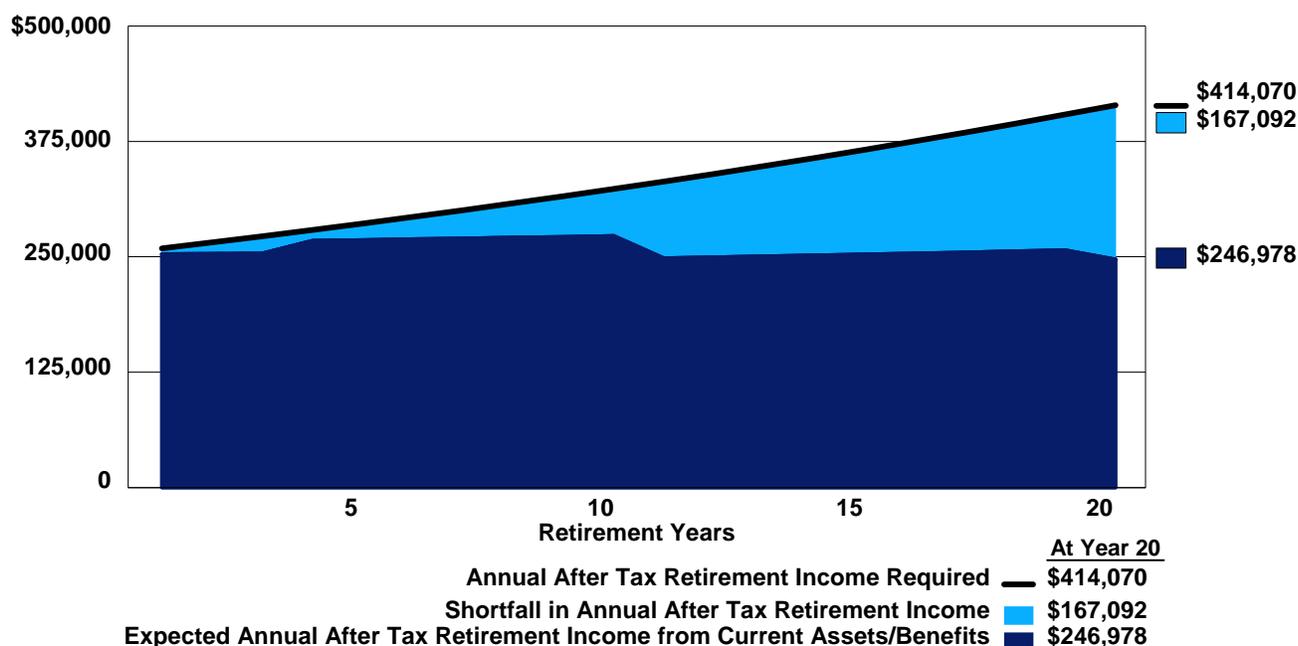
### Your Specific Analysis

An analysis has been made of your retirement income goals compared to the expected assets/benefits that will be available to meet the goals. Based on this analysis, your expected assets/benefits will not be sufficient to meet your retirement income goals.

Due to your shortfall of expected assets/benefits, it is necessary for you to fund a Target Retirement Account. In the material that accompanies this report, you will find a TRA illustrated utilizing an equity account plus a cash value life insurance policy.

The precision of your analysis will be dependent upon the accuracy of the financial data utilized. You should be certain that the data is an accurate reflection of your economic expectations.

It is important to remember that what is presented in the study is only a future "snapshot" of your retirement situation. Some of the premises and conditions may change. Each year, you should arrange for a review of the analysis in order to evaluate the consequences of modifications to the assumptions. By doing so, your retirement plan will always remain up to date.



This graphic assumes the non-guaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable.

## Flow Chart

### Pre-Retirement Phase



### Retirement Phase



# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Cash Flow Summary for Retirement Years Utilizing Expected Assets/Benefits

|  | First<br>Year | Last<br>Year | Total For<br>All Years | Cash Flow<br>Summary |
|--|---------------|--------------|------------------------|----------------------|
| After Tax Retirement Income Goal                     | 259,012       | 414,070      | 6,616,382              | 6,616,382            |
| Estimate of Expected After Tax Retirement Cash Flow: |               |              |                        |                      |
| Social Security                                      | 17,955        | 48,331       | 734,511                |                      |
| Certificate of Deposit                               | 14,500        | 4,382        | 279,882                |                      |
| Bart's 401(k)  | 106,950       | 106,950      | 2,139,000              |                      |
| Kristin's 401(k)                                     | 51,750        | 50,743       | 1,033,993              |                      |
| Equity Account                                       | 36,572        | 36,572       | 731,440                |                      |
| Work After Retirement                                | 25,000        | 0            | 250,000                |                      |
| Total Expected After Tax Retirement Cash Flow        | 252,727       | 246,978      | 5,168,826              | (5,168,826)          |
| Shortfall in Expected After Tax Retirement Cash Flow |               |              |                        | 1,447,556            |

## Conclusion and Recommendation

We have compared the year-by-year relationships between the retirement income goals and expected retirement cash flow.

Based on your assumptions, the timing of your expected cash flow is not sufficient to meet all your financial goals. An additional amount of funding should be directed to a Target Retirement Account in the amount of 10.24% of your assumed pre-retirement income starting at age 45. By doing so, your desired goals should then be assured -- based, of course, on the accuracy of the assumptions you have provided.

Assumptions may change as economic circumstances change. It is strongly recommended you review this plan every year.

# Retirement Needs Analysis

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For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Annualized After Tax Income Projections

Current After Tax Income 100,000      Growth of Current Income 5.00%      Retirement Income Goal 252,695      Growth of Retirement Income 2.50%      Age at Retirement 65/63

| Pre-Retirement Phase |                     |  | Retirement Phase |                 |   |
|----------------------|---------------------|--|------------------|-----------------|---|
| Pre-Retirement Year  | Pre-Retirement Ages | (1) Projected After Tax Pre-Retirement Income Incl. Growth | Retirement Year  | Retirement Ages | (2) Desired After Tax Retirement Income Goal Incl. Growth |
| 1                    | 45/43               | 100,000  | 1                | 65/63           | 259,012   |
| 2                    | 46/44               | 105,000  | 2                | 66/64           | 265,488   |
| 3                    | 47/45               | 110,250  | 3                | 67/65           | 272,125   |
| 4                    | 48/46               | 115,763  | 4                | 68/66           | 278,928   |
| 5                    | 49/47               | 121,551  | 5                | 69/67           | 285,901   |
| 6                    | 50/48               | 127,628  | 6                | 70/68           | 293,049   |
| 7                    | 51/49               | 134,010  | 7                | 71/69           | 300,375   |
| 8                    | 52/50               | 140,710  | 8                | 72/70           | 307,884   |
| 9                    | 53/51               | 147,746  | 9                | 73/71           | 315,581   |
| 10                   | 54/52               | 155,133  | 10               | 74/72           | 323,471   |
| 11                   | 55/53               | 162,889  | 11               | 75/73           | 331,558   |
| 12                   | 56/54               | 171,034  | 12               | 76/74           | 339,847   |
| 13                   | 57/55               | 179,586  | 13               | 77/75           | 348,343   |
| 14                   | 58/56               | 188,565  | 14               | 78/76           | 357,051   |
| 15                   | 59/57               | 197,993  | 15               | 79/77           | 365,978   |
| 16                   | 60/58               | 207,893  | 16               | 80/78           | 375,127   |
| 17                   | 61/59               | 218,287  | 17               | 81/79           | 384,505   |
| 18                   | 62/60               | 229,202  | 18               | 82/80           | 394,118   |
| 19                   | 63/61               | 240,662  | 19               | 83/81           | 403,971   |
| 20                   | 64/62               | 252,695  | 20               | 84/82           | 414,070   |
|                      |                     | 3,306,597  |                  |                 | 6,616,382   |

### Retirement Income Goal

|   |         |
|---|---------|
| After tax income in year before retirement: | 252,695 |
| Goal for retirement:                        | 100%    |
| After tax income goal for retirement years: | 252,695 |
| 2.50% growth during first retirement year:  | + 6,317 |
| After tax income in first retirement year:  | 259,012 |

Note: All projections are based on client furnished data and assumptions.

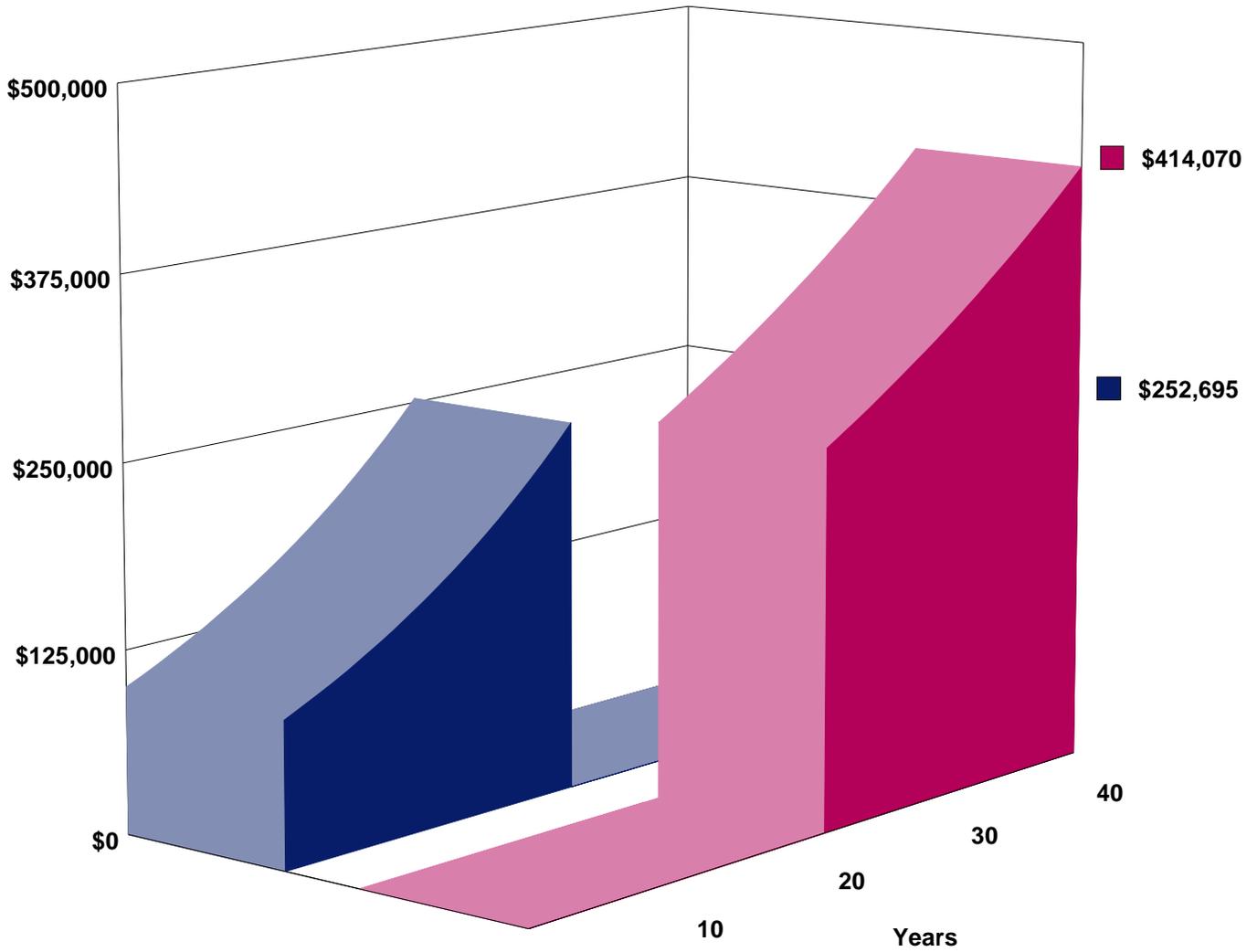
# Retirement Needs Analysis

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For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Income Summary



Projected Annual After Tax Pre-Retirement Income ■ \$414,070  
Desired Annual After Tax Retirement Income Goal<sup>1</sup> ■ \$252,695

<sup>1</sup> Retirement income fully funded by expected retirement assets/benefits and the TRA.

# Retirement Needs Analysis

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Insured: Bart Jones

## Expected Retirement Assets/Benefits vs. Retirement Income Goals

|                 |       | Expected Assets/Benefits                              |   |  |   |   |  | Retirement Cash Flow Analysis                                    |  |  |
|-----------------|-------|---|---|--|---|---|--|--|--|--|
| Retirement Year | Ages  | (1)<br>After Tax Income from Social Security Benefits | (2)<br>After Tax Income from Certificate of Deposit | (3)<br>After Tax Income from Bart's 401(k) | (4)<br>After Tax Income from Kristin's 401(k) | (5)<br>After Tax Income from Equity Account | (6)<br>After Tax Income from Work After Retirement | (7)<br>After Tax Retirement Income from Expected Assets/Benefits | (8)<br>Desired After Tax Retirement Income Goal Incl. Growth | (9)<br>Additional After Tax Retirement Income Required (8) - (7) |
| 1               | 65/63 | 17,955  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 252,727  | 259,012  | 6,285  |
| 2               | 66/64 | 18,404  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 253,176  | 265,488  | 12,312   |
| 3               | 67/65 | 18,865  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 253,637  | 272,125  | 18,488   |
| 4               | 68/66 | 32,557  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 267,329  | 278,928  | 11,599   |
| 5               | 69/67 | 33,370  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 268,142  | 285,901  | 17,759   |
| 6               | 70/68 | 34,205  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 268,977  | 293,049  | 24,072   |
| 7               | 71/69 | 35,060  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 269,832  | 300,375  | 30,543   |
| 8               | 72/70 | 35,936  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 270,708  | 307,884  | 37,176   |
| 9               | 73/71 | 36,835  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 271,607  | 315,581  | 43,974   |
| 10              | 74/72 | 37,756  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 25,000   | 272,528  | 323,471  | 50,943   |
| 11              | 75/73 | 38,700  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 248,472  | 331,558  | 83,086   |
| 12              | 76/74 | 39,667  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 249,439  | 339,847  | 90,408   |
| 13              | 77/75 | 40,659  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 250,431  | 348,343  | 97,912   |
| 14              | 78/76 | 41,675  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 251,447  | 357,051  | 105,604  |
| 15              | 79/77 | 42,717  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 252,489  | 365,978  | 113,489  |
| 16              | 80/78 | 43,786  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 253,558  | 375,127  | 121,569  |
| 17              | 81/79 | 44,879  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 254,651  | 384,505  | 129,854  |
| 18              | 82/80 | 46,002  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 255,774  | 394,118  | 138,344  |
| 19              | 83/81 | 47,152  | 14,500  | 106,950                                    | 51,750  | 36,572                                      | 0  | 256,924  | 403,971  | 147,047  |
| 20              | 84/82 | 48,331  | 4,382   | 106,950                                    | 50,743  | 36,572                                      | 0  | 246,978  | 414,070  | 167,092  |
|                 |       | 734,511   | 279,882   | 2,139,000                                  | 1,033,993                                     | 731,440                                     | 250,000  | 5,168,826  | 6,616,382  | 1,447,556  |

The expected assets/benefits shown above are based on client furnished data and assumptions.

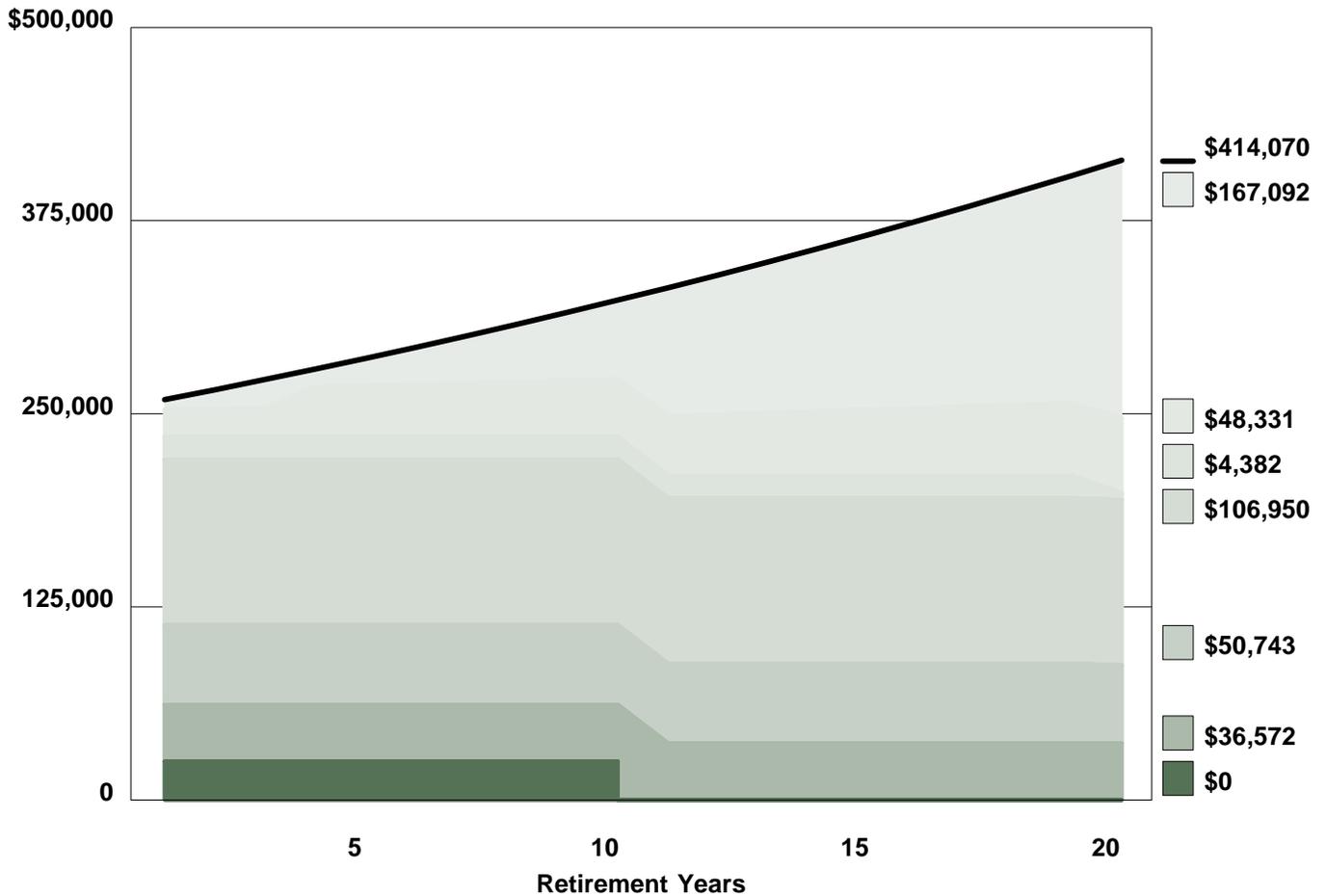
# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Sources of Annual Retirement Cash Flow



|  | <u>At Year 20</u> |
|--|-------------------|
| After Tax Retirement Income Required           | — \$414,070       |
| Target Retirement Account                      | \$167,092         |
| After Tax Income from Social Security Benefits | \$48,331          |
| After Tax Income from Certificate of Deposit   | \$4,382           |
| After Tax Income from Bart's 401(k)            | \$106,950         |
| After Tax Income from Kristin's 401(k)         | \$50,743          |
| After Tax Income from Equity Account           | \$36,572          |
| After Tax Income from Work After Retirement    | \$0               |

# Retirement Needs Analysis

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Insured: Bart Jones

## Illustration of Life Insurance Values Used

|      |             | Eq. Indexed UL<br>Interest Rate<br>8.50% | Initial<br>Payment<br>10,000                                    | Initial<br>Death Benefit<br>650,000                     |  |  |
|------|-------------|--|---|---|--|--|
| Year | Male<br>Age | (1)<br>Life<br>Insurance<br>Premium      | (2)<br>Pre-Tax<br>Policy<br>Cash Flow<br>from Life<br>Insurance | (3)<br>Year End<br>Life<br>Insurance<br>Accum<br>Value* | (4)<br>Year End<br>Life<br>Insurance<br>Cash<br>Value* | (5)<br>Life<br>Insurance<br>Death<br>Benefit |
| 1    | 45          | 10,000                                   | 0   | 9,522   | 2,697  | 650,000                                      |
| 2    | 46          | 10,000                                   | 0   | 19,873  | 6,223  | 650,000                                      |
| 3    | 47          | 10,000                                   | 0   | 31,070  | 16,445   | 650,000                                      |
| 4    | 48          | 10,000                                   | 0   | 43,187  | 28,562   | 650,000                                      |
| 5    | 49          | 10,000                                   | 0   | 56,307  | 41,682   | 650,000                                      |
| 6    | 50          | 10,000                                   | 0   | 70,527  | 56,633   | 650,000                                      |
| 7    | 51          | 10,000                                   | 0   | 85,935  | 72,919   | 650,000                                      |
| 8    | 52          | 10,000                                   | 0   | 102,642   | 90,650   | 650,000                                      |
| 9    | 53          | 10,000                                   | 0   | 120,772   | 109,949  | 650,000                                      |
| 10   | 54          | 10,000                                   | 0   | 140,447   | 130,940  | 650,000                                      |
| 11   | 55          | 10,000                                   | 0   | 161,818   | 153,774  | 650,000                                      |
| 12   | 56          | 10,000                                   | 0   | 185,055   | 178,620  | 650,000                                      |
| 13   | 57          | 10,000                                   | 0   | 210,331   | 205,651  | 650,000                                      |
| 14   | 58          | 10,000                                   | 0   | 237,843   | 235,064  | 650,000                                      |
| 15   | 59          | 10,000                                   | 0   | 267,818   | 267,818  | 650,000                                      |
| 16   | 60          | 10,000                                   | 0   | 300,508   | 300,508  | 650,000                                      |
| 17   | 61          | 10,000                                   | 0   | 336,194   | 336,194  | 650,000                                      |
| 18   | 62          | 10,000                                   | 0   | 375,181   | 375,181  | 650,000                                      |
| 19   | 63          | 10,000                                   | 0   | 417,830   | 417,830  | 650,000                                      |
| 20   | 64          | 10,000                                   | 0   | 464,540   | 464,540  | 650,000                                      |
| 21   | 65          | 0  | 40,000  | 461,125   | 461,125  | 609,975                                      |
| 22   | 66          | 0  | 40,000  | 457,622   | 457,622  | 569,950                                      |
| 23   | 67          | 0  | 40,000  | 454,275   | 454,275  | 536,045                                      |
| 24   | 68          | 0  | 40,000  | 450,605   | 450,605  | 527,208                                      |
| 25   | 69          | 0  | 40,000  | 446,587   | 446,587  | 518,041                                      |
| 26   | 70          | 0  | 40,000  | 442,094   | 442,094  | 514,768                                      |
| 27   | 71          | 0  | 40,000  | 437,129   | 437,129  | 505,311                                      |
| 28   | 72          | 0  | 40,000  | 431,675   | 431,675  | 494,007                                      |
| 29   | 73          | 0  | 40,000  | 425,722   | 425,722  | 480,730                                      |
| 30   | 74          | 0  | 40,000  | 419,272   | 419,272  | 465,352                                      |
|      |             | 200,000                                  | 400,000   |   |  |  |

\*This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote will refer to a basic illustration from a specific life insurance company with important details, caveats, and guarantees.

# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Illustration of Life Insurance Values Used

|      |             | Eq. Indexed UL<br>Interest Rate<br>8.50% | Initial<br>Payment<br>10,000                                    | Initial<br>Death Benefit<br>650,000                     |  |  |  |
|------|-------------|--|---|---|--|--|--|
| Year | Male<br>Age | (1)<br>Life<br>Insurance<br>Premium      | (2)<br>Pre-Tax<br>Policy<br>Cash Flow<br>from Life<br>Insurance | (3)<br>Year End<br>Life<br>Insurance<br>Accum<br>Value* | (4)<br>Year End<br>Life<br>Insurance<br>Cash<br>Value* | (5)<br>Life<br>Insurance<br>Death<br>Benefit |  |
| 31   | 75          | 0  | 40,000  | 412,343   | 412,343  | 447,748                                      |  |
| 32   | 76          | 0  | 40,000  | 404,605   | 404,605  | 442,630                                      |  |
| 33   | 77          | 0  | 40,000  | 395,960   | 395,960  | 436,740                                      |  |
| 34   | 78          | 0  | 40,000  | 386,297   | 386,297  | 429,974                                      |  |
| 35   | 79          | 0  | 40,000  | 375,493   | 375,493  | 422,211                                      |  |
| 36   | 80          | 0  | 40,000  | 363,407   | 363,407  | 413,317                                      |  |
| 37   | 81          | 0  | 40,000  | 349,879   | 349,879  | 403,137                                      |  |
| 38   | 82          | 0  | 40,000  | 334,730   | 334,730  | 391,497                                      |  |
| 39   | 83          | 0  | 40,000  | 317,758   | 317,758  | 378,198                                      |  |
| 40   | 84          | 0  | 40,000  | 298,733   | 298,733  | 363,015                                      |  |

200,000      800,000

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# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Accumulating the Necessary Target Retirement Account (TRA)

Insured  
is  
Male, Age 45

TRA Required  
@ Age 65/63  
674,253

Portion of TRA in  
Eq. Indexed UL  
464,540

Eq. Indexed UL  
Interest Rate  
8.50%

Portion of TRA in  
Equity Acc't  
209,713

### Allocation/Accumulation of the Target Retirement Account

| Pre-Retirement Year | Ages  | (1)<br>Projected After Tax Pre-Retirement Income Incl. Growth | (2)<br>Target Retirement Account Allocation Required | (3)<br>Portion of TRA Used for Life Insurance Premium | (4)<br>Year End Life Insurance Accum Values* | (5)<br>Year End Life Insurance Cash Values* | (6)<br>Balance of Allocation To Equity Account (2) - (3) | (7)<br>Year End Value of Equity Account | (8)<br>Year End Living Value of TRA (5) + (7) | (9)<br>Year End Life Insurance Death Benefit | (10)<br>Year End Death Benefit of TRA (7) + (9) |
|---------------------|-------|---|--|---|--|---|--|---|---|--|---|
| 1                   | 45/43 | 100,000   | 10,235   | 10,000  | 9,522  | 2,697                                       | 235  | 251                                     | 2,948   | 650,000                                      | 650,251   |
| 2                   | 46/44 | 105,000   | 10,747   | 10,000  | 19,873                                       | 6,223                                       | 747  | 1,063                                   | 7,286   | 650,000                                      | 651,063   |
| 3                   | 47/45 | 110,250   | 11,285   | 10,000  | 31,070                                       | 16,445                                      | 1,285  | 2,499                                   | 18,944  | 650,000                                      | 652,499   |
| 4                   | 48/46 | 115,763   | 11,849   | 10,000  | 43,187                                       | 28,562                                      | 1,849  | 4,619                                   | 33,181  | 650,000                                      | 654,619   |
| 5                   | 49/47 | 121,551   | 12,441   | 10,000  | 56,307                                       | 41,682                                      | 2,441  | 7,494                                   | 49,176  | 650,000                                      | 657,494   |
| 6                   | 50/48 | 127,628   | 13,063   | 10,000  | 70,527                                       | 56,633                                      | 3,063  | 11,202                                  | 67,835  | 650,000                                      | 661,202   |
| 7                   | 51/49 | 134,010   | 13,717   | 10,000  | 85,935                                       | 72,919                                      | 3,717  | 15,823                                  | 88,742  | 650,000                                      | 665,823   |
| 8                   | 52/50 | 140,710   | 14,402   | 10,000  | 102,642                                      | 90,650                                      | 4,402  | 21,445                                  | 112,095                                       | 650,000                                      | 671,445   |
| 9                   | 53/51 | 147,746   | 15,123   | 10,000  | 120,772                                      | 109,949                                     | 5,123  | 28,163                                  | 138,112                                       | 650,000                                      | 678,163   |
| 10                  | 54/52 | 155,133   | 15,879   | 10,000  | 140,447                                      | 130,940                                     | 5,879  | 36,077                                  | 167,017                                       | 650,000                                      | 686,077   |
| 11                  | 55/53 | 162,889   | 16,672   | 10,000  | 161,818                                      | 153,774                                     | 6,672  | 45,297                                  | 199,071                                       | 650,000                                      | 695,297   |
| 12                  | 56/54 | 171,034   | 17,506   | 10,000  | 185,055                                      | 178,620                                     | 7,506  | 55,940                                  | 234,560                                       | 650,000                                      | 705,940   |
| 13                  | 57/55 | 179,586   | 18,381   | 10,000  | 210,331                                      | 205,651                                     | 8,381  | 68,135                                  | 273,786                                       | 650,000                                      | 718,135   |
| 14                  | 58/56 | 188,565   | 19,301   | 10,000  | 237,843                                      | 235,064                                     | 9,301  | 82,016                                  | 317,080                                       | 650,000                                      | 732,016   |
| 15                  | 59/57 | 197,993   | 20,266   | 10,000  | 267,818                                      | 267,818                                     | 10,266   | 97,730                                  | 365,548                                       | 650,000                                      | 747,730   |
| 16                  | 60/58 | 207,893   | 21,279   | 10,000  | 300,508                                      | 300,508                                     | 11,279   | 115,434                                 | 415,942                                       | 650,000                                      | 765,434   |
| 17                  | 61/59 | 218,287   | 22,343   | 10,000  | 336,194                                      | 336,194                                     | 12,343   | 135,296                                 | 471,490                                       | 650,000                                      | 785,296   |
| 18                  | 62/60 | 229,202   | 23,460   | 10,000  | 375,181                                      | 375,181                                     | 13,460   | 157,498                                 | 532,679                                       | 650,000                                      | 807,498   |
| 19                  | 63/61 | 240,662   | 24,633   | 10,000  | 417,830                                      | 417,830                                     | 14,633   | 182,234                                 | 600,064                                       | 650,000                                      | 832,234   |
| 20                  | 64/62 | 252,695   | 25,865   | 10,000  | 464,540                                      | 464,540                                     | 15,865   | 209,713                                 | 674,253                                       | 650,000                                      | 859,713   |

3,306,597

338,447

200,000

138,447

Management fees assessed on column (7): 0.70%

Column (2) = 10.24% of assumed pre-retirement income starting at age 45.

\*This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote will refer to a basic illustration from a specific life insurance company with important details, caveats, and guarantees.

See the Equity Account Details and Portfolio Turnover Details reports (Pre-Retirement Phase) for calculations used.

Calculations based on client's assumptions.

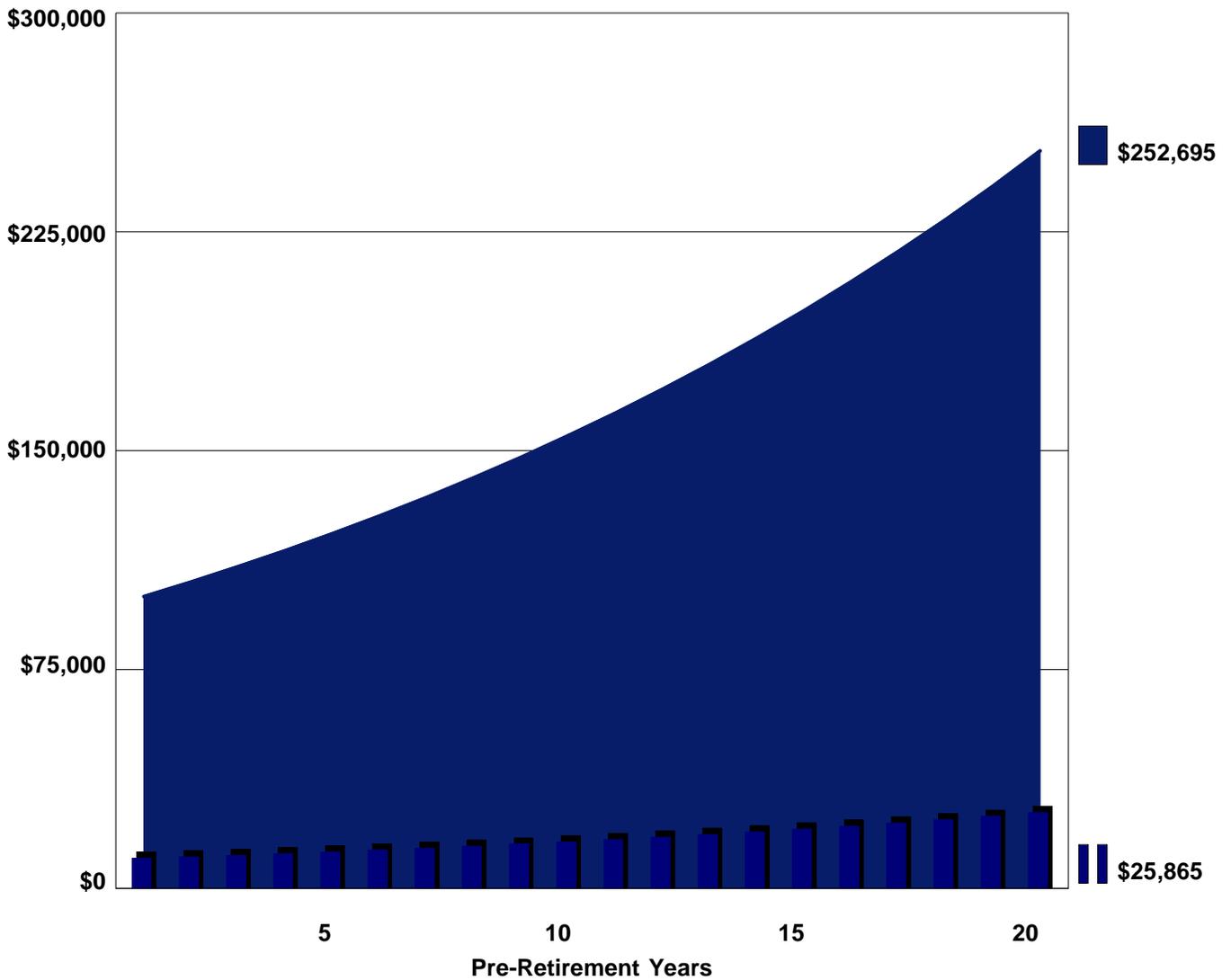
# Retirement Needs Analysis

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For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Pre-Retirement Summary



**At Year 20**  
Annual Allocation to Target Retirement Account **\$25,865**  
Projected Annual After Tax Pre-Retirement Income **\$252,695**

# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Distributing the Target Retirement Account (TRA)

TRA Required @ Age 65/63 674,253  
 Portion of TRA in Eq. Indexed UL 464,540  
 Eq. Indexed UL Interest Rate 8.50%  
 Portion of TRA in Equity Acc't 209,713

|                 |       | Target Retirement Account Activity                     |                               |  |   |   |  |   |   |   |   |  |
|-----------------|-------|--|-------------------------------|--|---|---|--|---|---|---|---|--|
| Retirement Year | Ages  | (1)<br>Additional After Tax Retirement Income Required | (2)<br>Life Insurance Premium | (3)<br>After Tax Income from Life Insurance Policy Cash Flow | (4)<br>Net Add'l After Tax Retirement Income Required (1) + (2) - (3) | (5)<br>Beginning of Year Balance in Equity Portion of TRA | (6)<br>Balance in Equity Account to Accrue | (7)<br>Year End Value of Equity Account | (8)<br>Year End Life Insurance Cash Values* | (9)<br>Year End Living Value of TRA (7) + (8) | (10)<br>Year End Life Insurance Death Benefit | (11)<br>Year End Death Benefit of TRA (8) + (10) |
| 1               | 65/63 | 6,285  | 0                             | 40,000   | -33,715   | 209,713   | 243,428                                    | 257,791                                 | 461,125                                     | 718,916                                       | 609,975                                       | 867,766  |
| 2               | 66/64 | 12,312   | 0                             | 40,000   | -27,688   | 257,791   | 285,479                                    | 302,288                                 | 457,622                                     | 759,910                                       | 569,950                                       | 872,238  |
| 3               | 67/65 | 18,488   | 0                             | 40,000   | -21,512   | 302,288   | 323,800                                    | 342,779                                 | 454,275                                     | 797,054                                       | 536,045                                       | 878,824  |
| 4               | 68/66 | 11,599   | 0                             | 40,000   | -28,401   | 342,779   | 371,180                                    | 392,919                                 | 450,605                                     | 843,524                                       | 527,208                                       | 920,127  |
| 5               | 69/67 | 17,759   | 0                             | 40,000   | -22,241   | 392,919   | 415,160                                    | 439,400                                 | 446,587                                     | 885,987                                       | 518,041                                       | 957,441  |
| 6               | 70/68 | 24,072   | 0                             | 40,000   | -15,928   | 439,400   | 455,328                                    | 481,817                                 | 442,094                                     | 923,911                                       | 514,768                                       | 996,585  |
| 7               | 71/69 | 30,543   | 0                             | 40,000   | -9,457  | 481,817   | 491,274                                    | 519,749                                 | 437,129                                     | 956,878                                       | 505,311                                       | 1,025,060  |
| 8               | 72/70 | 37,176   | 0                             | 40,000   | -2,824  | 519,749   | 522,573                                    | 552,758                                 | 431,675                                     | 984,433                                       | 494,007                                       | 1,046,765  |
| 9               | 73/71 | 43,974   | 0                             | 40,000   | 3,974   | 552,758   | 552,758                                    | 580,665                                 | 425,722                                     | 1,006,387                                     | 480,730                                       | 1,061,395  |
| 10              | 74/72 | 50,943   | 0                             | 40,000   | 10,943  | 580,665   | 574,219                                    | 602,677                                 | 419,272                                     | 1,021,949                                     | 465,352                                       | 1,068,029  |
| 11              | 75/73 | 83,086   | 0                             | 40,000   | 43,086  | 602,677   | 563,503                                    | 591,393                                 | 412,343                                     | 1,003,736                                     | 447,748                                       | 1,039,141  |
| 12              | 76/74 | 90,408   | 0                             | 40,000   | 50,408  | 591,393   | 544,627                                    | 571,565                                 | 404,605                                     | 976,170                                       | 442,630                                       | 1,014,195  |
| 13              | 77/75 | 97,912   | 0                             | 40,000   | 57,912  | 571,565   | 516,952                                    | 542,513                                 | 395,960                                     | 938,473                                       | 436,740                                       | 979,253  |
| 14              | 78/76 | 105,604  | 0                             | 40,000   | 65,604  | 542,513   | 479,786                                    | 503,507                                 | 386,297                                     | 889,804                                       | 429,974                                       | 933,481  |
| 15              | 79/77 | 113,489  | 0                             | 40,000   | 73,489  | 503,507   | 432,387                                    | 453,762                                 | 375,493                                     | 829,255                                       | 422,211                                       | 875,973  |
| 16              | 80/78 | 121,569  | 0                             | 40,000   | 81,569  | 453,762   | 373,961                                    | 392,448                                 | 363,407                                     | 755,855                                       | 413,317                                       | 805,765  |
| 17              | 81/79 | 129,854  | 0                             | 40,000   | 89,854  | 392,448   | 303,661                                    | 318,672                                 | 349,879                                     | 668,551                                       | 403,137                                       | 721,809  |
| 18              | 82/80 | 138,344  | 0                             | 40,000   | 98,344  | 318,672   | 220,588                                    | 231,492                                 | 334,730                                     | 566,222                                       | 391,497                                       | 622,989  |
| 19              | 83/81 | 147,047  | 0                             | 40,000   | 107,047   | 231,492   | 123,783                                    | 129,902                                 | 317,758                                     | 447,660                                       | 378,198                                       | 508,100  |
| 20              | 84/82 | 167,092  | 0                             | 40,000   | 127,092   | 129,902   | 837  | 879                                     | 298,733                                     | 299,612                                       | 363,015                                       | 363,894  |
|                 |       | 1,447,556  | 0                             | 800,000  | 647,556   |   |  |   |   |   |   |  |

Management fees assessed on column (7): 0.70%

\*This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote will refer to a basic illustration from a specific life insurance company with important details, caveats, and guarantees.

See the Equity Account Details and Portfolio Turnover Details reports (Retirement Phase) for calculations used.

Calculations based on client's assumptions.

# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

## Retirement Equity Account Details

Growth Rate 7.50%    Dividend Rate 1.00%    Dividend Tax Rate 20.00%    Retirement Income Tax Bracket 31.00%    Composite Capital Gains Tax Rate\* 28.00%    Turnover Assumption 50.00%

| Retirement Yr | Ages  | (1)<br>Beginning of Year Value of Equity Account | (2)<br>Net Allocation to Equity Account | (3)<br>Sale of Equities | (4)<br>Capital Growth | (5)<br>After Tax Reinvested Dividends | (6)<br>Year End Value of Account Before Turnover | (7)**<br>Year End Value of Account After Turnover | (8)<br>After Tax Dividends | (9)<br>After Tax Equity Sales | (10)<br>Total After Tax Distributions |
|---------------|-------|--|---|-------------------------|-----------------------|---------------------------------------|--|---|----------------------------|-------------------------------|---------------------------------------|
| 1             | 65/63 | 209,713  | 33,715                                  | 0                       | 18,257                | 1,947                                 | 0  | 257,791   | 0                          | 0                             | 0                                     |
| 2             | 66/64 | 257,791  | 27,688                                  | 0                       | 21,411                | 2,284                                 | 0  | 302,288   | 0                          | 0                             | 0                                     |
| 3             | 67/65 | 302,288  | 21,512                                  | 0                       | 24,285                | 2,590                                 | 0  | 342,779   | 0                          | 0                             | 0                                     |
| 4             | 68/66 | 342,779  | 28,401                                  | 0                       | 27,839                | 2,969                                 | 0  | 392,919   | 0                          | 0                             | 0                                     |
| 5             | 69/67 | 392,919  | 22,241                                  | 0                       | 31,137                | 3,321                                 | 0  | 439,400   | 0                          | 0                             | 0                                     |
| 6             | 70/68 | 439,400  | 15,928                                  | 0                       | 34,150                | 3,643                                 | 0  | 481,817   | 0                          | 0                             | 0                                     |
| 7             | 71/69 | 481,817  | 9,457                                   | 0                       | 36,846                | 3,930                                 | 0  | 519,749   | 0                          | 0                             | 0                                     |
| 8             | 72/70 | 519,749  | 2,824                                   | 0                       | 39,193                | 4,181                                 | 0  | 552,758   | 0                          | 0                             | 0                                     |
| 9             | 73/71 | 552,758  | 0                                       | 0                       | 41,457                | 448                                   | 0  | 580,665   | 3,974                      | 0                             | 3,974                                 |
| 10            | 74/72 | 580,665  | 0                                       | 6,446                   | 43,066                | 0                                     | 0  | 602,677   | 4,594                      | 6,349                         | 10,943                                |
| 11            | 75/73 | 602,677  | 0                                       | 39,174                  | 42,263                | 0                                     | 0  | 591,393   | 4,508                      | 38,578                        | 43,086                                |
| 12            | 76/74 | 591,393  | 0                                       | 46,766                  | 40,847                | 0                                     | 0  | 571,565   | 4,357                      | 46,051                        | 50,408                                |
| 13            | 77/75 | 571,565  | 0                                       | 54,613                  | 38,771                | 0                                     | 0  | 542,513   | 4,135                      | 53,777                        | 57,912                                |
| 14            | 78/76 | 542,513  | 0                                       | 62,727                  | 35,984                | 0                                     | 0  | 503,507   | 3,838                      | 61,766                        | 65,604                                |
| 15            | 79/77 | 503,507  | 0                                       | 71,120                  | 32,429                | 0                                     | 0  | 453,762   | 3,460                      | 70,029                        | 73,489                                |
| 16            | 80/78 | 453,762  | 0                                       | 79,801                  | 28,047                | 0                                     | 0  | 392,448   | 2,992                      | 78,577                        | 81,569                                |
| 17            | 81/79 | 392,448  | 0                                       | 88,787                  | 22,775                | 0                                     | 0  | 318,672   | 2,429                      | 87,425                        | 89,854                                |
| 18            | 82/80 | 318,672  | 0                                       | 98,084                  | 16,544                | 0                                     | 0  | 231,492   | 1,765                      | 96,579                        | 98,344                                |
| 19            | 83/81 | 231,492  | 0                                       | 107,709                 | 9,284                 | 0                                     | 0  | 129,902   | 990                        | 106,057                       | 107,047                               |
| 20            | 84/82 | 129,902  | 0                                       | 129,065                 | 63                    | 0                                     | 0  | 879   | 7                          | 127,085                       | 127,092                               |
|               |       |  |   | <u>784,292</u>          | <u>584,648</u>        | <u>25,313</u>                         |  |   | <u>37,049</u>              | <u>772,273</u>                | <u>809,322</u>                        |

\*The composite capital gains tax rate includes 50.00% short-term gains subject to ordinary income tax and 50.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:  
 Capital Gains Tax: 25.00%  
 Income Tax: 31.00%

\*\*Column (7) is reduced by a 0.70% management fee.  
 (To review turnover calculations, see the Distribution Details of Portfolio Turnover report.)

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

## Retirement Portfolio Turnover Details

Growth Rate 7.50%    Dividend Rate 1.00%    Dividend Tax Rate 20.00%    Retirement Income Tax Bracket 31.00%    Composite Capital Gains Tax Rate\* 28.00%    Turnover Assumption 50.00%

| Retirement Year | Ages  | (1)<br>Beginning of Year Cost Basis | (2)<br>Sale of Equities | (3)<br>Capital Growth | (4)<br>After Tax Reinvested Dividends | (5)<br>Value of Assets Before Turnover | (6)<br>Adjusted Cost Basis | (7)<br>Sale of Equities Caused by Turnover | (8)<br>Cost Basis Used by Turnover | (9)<br>After Tax Reinvested Turnover | (10)**<br>Year End Value of Account After Turnover |
|-----------------|-------|-------------------------------------|-------------------------|-----------------------|---------------------------------------|--|----------------------------|--|------------------------------------|--------------------------------------|--|
| 1               | 65/63 | 199,228                             | 0                       | 18,257                | 1,947                                 | 263,632                                | 234,890                    | 131,816                                    | 117,445                            | 127,792                              | 257,791  |
| 2               | 66/64 | 245,237                             | 0                       | 21,411                | 2,284                                 | 309,174                                | 275,209                    | 154,587                                    | 137,605                            | 149,832                              | 302,288  |
| 3               | 67/65 | 287,436                             | 0                       | 24,285                | 2,590                                 | 350,675                                | 311,539                    | 175,338                                    | 155,769                            | 169,858                              | 342,779  |
| 4               | 68/66 | 325,628                             | 0                       | 27,839                | 2,969                                 | 401,988                                | 356,998                    | 200,994                                    | 178,499                            | 194,695                              | 392,919  |
| 5               | 69/67 | 373,194                             | 0                       | 31,137                | 3,321                                 | 449,618                                | 398,756                    | 224,809                                    | 199,378                            | 217,688                              | 439,400  |
| 6               | 70/68 | 417,066                             | 0                       | 34,150                | 3,643                                 | 493,121                                | 436,637                    | 246,561                                    | 218,319                            | 238,653                              | 481,817  |
| 7               | 71/69 | 456,972                             | 0                       | 36,846                | 3,930                                 | 532,050                                | 470,359                    | 266,025                                    | 235,179                            | 257,388                              | 519,749  |
| 8               | 72/70 | 492,567                             | 0                       | 39,193                | 4,181                                 | 565,947                                | 499,573                    | 282,974                                    | 249,786                            | 273,681                              | 552,758  |
| 9               | 73/71 | 523,467                             | 0                       | 41,457                | 448                                   | 594,663                                | 523,915                    | 297,332                                    | 261,958                            | 287,427                              | 580,665  |
| 10              | 74/72 | 549,384                             | 6,446                   | 43,066                | 0                                     | 617,285                                | 543,285                    | 308,643                                    | 271,643                            | 298,283                              | 602,677  |
| 11              | 75/73 | 569,925                             | 39,174                  | 42,263                | 0                                     | 605,766                                | 532,880                    | 302,883                                    | 266,440                            | 292,679                              | 591,393  |
| 12              | 76/74 | 559,119                             | 46,766                  | 40,847                | 0                                     | 585,474                                | 514,906                    | 292,737                                    | 257,453                            | 282,857                              | 571,565  |
| 13              | 77/75 | 540,310                             | 54,613                  | 38,771                | 0                                     | 555,723                                | 488,683                    | 277,862                                    | 244,342                            | 268,476                              | 542,513  |
| 14              | 78/76 | 512,818                             | 62,727                  | 35,984                | 0                                     | 515,770                                | 453,524                    | 257,885                                    | 226,762                            | 249,171                              | 503,507  |
| 15              | 79/77 | 475,933                             | 71,120                  | 32,429                | 0                                     | 464,816                                | 408,707                    | 232,408                                    | 204,354                            | 224,553                              | 453,762  |
| 16              | 80/78 | 428,907                             | 79,801                  | 28,047                | 0                                     | 402,008                                | 353,476                    | 201,004                                    | 176,738                            | 194,210                              | 392,448  |
| 17              | 81/79 | 370,948                             | 88,787                  | 22,775                | 0                                     | 326,436                                | 287,026                    | 163,218                                    | 143,513                            | 157,700                              | 318,672  |
| 18              | 82/80 | 301,213                             | 98,084                  | 16,544                | 0                                     | 237,132                                | 208,503                    | 118,566                                    | 104,251                            | 114,558                              | 231,492  |
| 19              | 83/81 | 218,809                             | 107,709                 | 9,284                 | 0                                     | 133,067                                | 117,002                    | 66,534                                     | 58,501                             | 64,284                               | 129,902  |
| 20              | 84/82 | 122,785                             | 129,065                 | 63                    | 0                                     | 900                                    | 791                        | 450  | 396                                | 435                                  | 879  |

784,292    584,648    25,313

\*The composite capital gains tax rate includes 50.00% short-term gains subject to ordinary income tax and 50.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 25.00%  
Income Tax: 31.00%

\*Column (10) is reduced by a 0.70% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

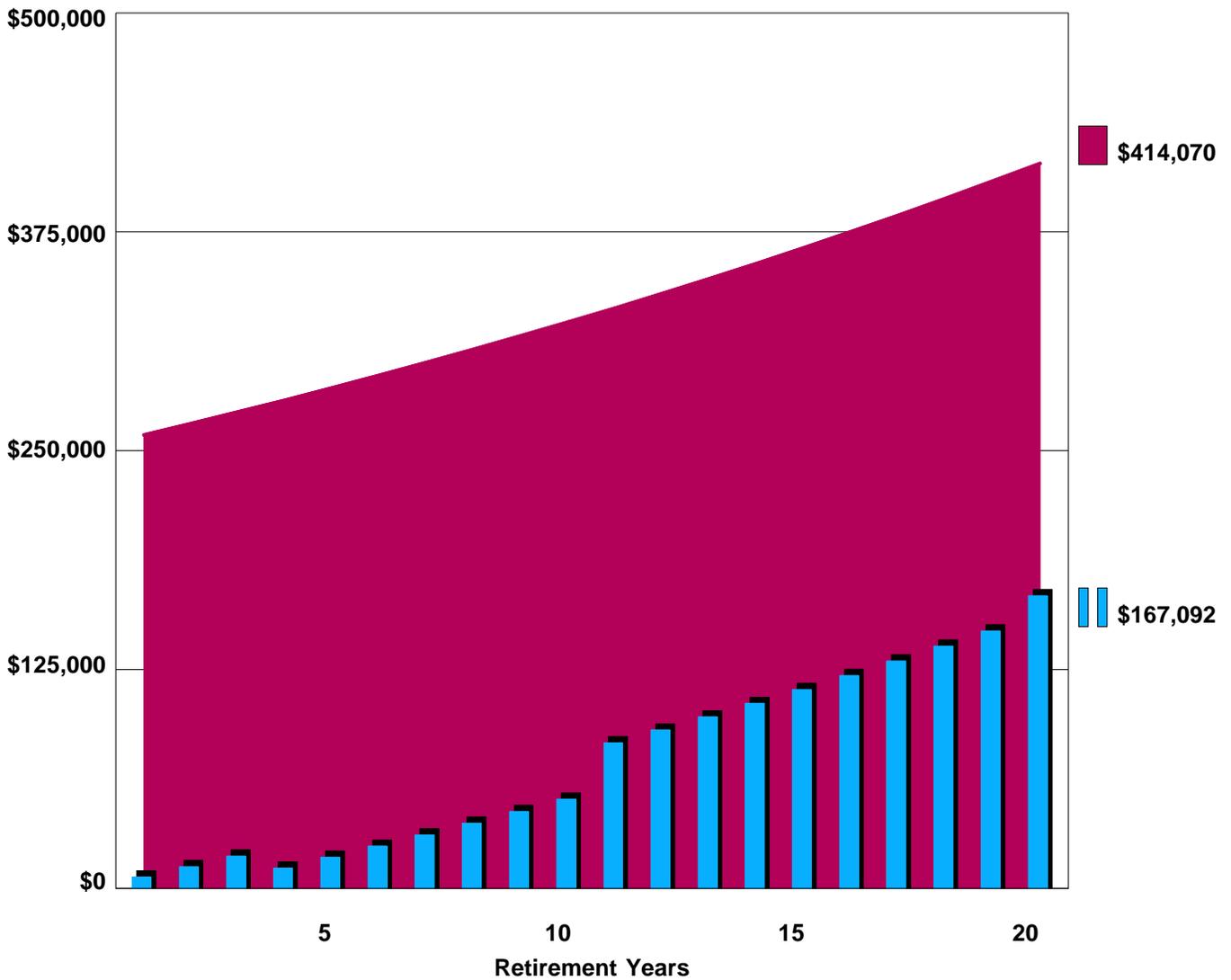
# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Retirement Summary



**At Year 20**  
Desired Annual After Tax Retirement Income Goal \$414,070  
Portion Funded By Target Retirement Account<sup>1</sup> \$167,092

<sup>1</sup>Balance of retirement income goal fully funded by expected retirement assets/benefits.

# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Summary Analysis

|                     |       | Pre-Retirement Phase                                   |   |  |   |                 |       | Retirement Phase                                      |  |  |   |
|---------------------|-------|--|---|--|---|-----------------|-------|---|--|--|---|
| Pre-Retirement Year | Ages  | (1)  | (2)   | (3)  | (4)   | Retirement Year | Ages  | (5)   | (6)  | (7)  | (8)   |
|                     |       | Projected After Tax Pre-Retirement Income Incl. Growth | Target Retirement Account Allocation Required | Year End Living Value of Target Retirement Account | Year End After Tax Death Benefit of Target Retirement Account |                 |       | Desired After Tax Retirement Income Goal Incl. Growth | Portion of Column (5) Funded by Target Retirement Account* | Year End Living Value of Target Retirement Account | Year End After Tax Death Benefit of Target Retirement Account |
| 1                   | 45/43 | 100,000  | 10,235  | 2,948  | 650,251   | 1               | 65/63 | 259,012   | 6,285  | 718,916  | 867,766   |
| 2                   | 46/44 | 105,000  | 10,747  | 7,286  | 651,063   | 2               | 66/64 | 265,488   | 12,312   | 759,910  | 872,238   |
| 3                   | 47/45 | 110,250  | 11,285  | 18,944   | 652,499   | 3               | 67/65 | 272,125   | 18,488   | 797,054  | 878,824   |
| 4                   | 48/46 | 115,763  | 11,849  | 33,181   | 654,619   | 4               | 68/66 | 278,928   | 11,599   | 843,524  | 920,127   |
| 5                   | 49/47 | 121,551  | 12,441  | 49,176   | 657,494   | 5               | 69/67 | 285,901   | 17,759   | 885,987  | 957,441   |
| 6                   | 50/48 | 127,628  | 13,063  | 67,835   | 661,202   | 6               | 70/68 | 293,049   | 24,072   | 923,911  | 996,585   |
| 7                   | 51/49 | 134,010  | 13,717  | 88,742   | 665,823   | 7               | 71/69 | 300,375   | 30,543   | 956,878  | 1,025,060   |
| 8                   | 52/50 | 140,710  | 14,402  | 112,095  | 671,445   | 8               | 72/70 | 307,884   | 37,176   | 984,433  | 1,046,765   |
| 9                   | 53/51 | 147,746  | 15,123  | 138,112  | 678,163   | 9               | 73/71 | 315,581   | 43,974   | 1,006,387  | 1,061,395   |
| 10                  | 54/52 | 155,133  | 15,879  | 167,017  | 686,077   | 10              | 74/72 | 323,471   | 50,943   | 1,021,949  | 1,068,029   |
| 11                  | 55/53 | 162,889  | 16,672  | 199,071  | 695,297   | 11              | 75/73 | 331,558   | 83,086   | 1,003,736  | 1,039,141   |
| 12                  | 56/54 | 171,034  | 17,506  | 234,560  | 705,940   | 12              | 76/74 | 339,847   | 90,408   | 976,170  | 1,014,195   |
| 13                  | 57/55 | 179,586  | 18,381  | 273,786  | 718,135   | 13              | 77/75 | 348,343   | 97,912   | 938,473  | 979,253   |
| 14                  | 58/56 | 188,565  | 19,301  | 317,080  | 732,016   | 14              | 78/76 | 357,051   | 105,604  | 889,804  | 933,481   |
| 15                  | 59/57 | 197,993  | 20,266  | 365,548  | 747,730   | 15              | 79/77 | 365,978   | 113,489  | 829,255  | 875,973   |
| 16                  | 60/58 | 207,893  | 21,279  | 415,942  | 765,434   | 16              | 80/78 | 375,127   | 121,569  | 755,855  | 805,765   |
| 17                  | 61/59 | 218,287  | 22,343  | 471,490  | 785,296   | 17              | 81/79 | 384,505   | 129,854  | 668,551  | 721,809   |
| 18                  | 62/60 | 229,202  | 23,460  | 532,679  | 807,498   | 18              | 82/80 | 394,118   | 138,344  | 566,222  | 622,989   |
| 19                  | 63/61 | 240,662  | 24,633  | 600,064  | 832,234   | 19              | 83/81 | 403,971   | 147,047  | 447,660  | 508,100   |
| 20                  | 64/62 | 252,695  | 25,865  | 674,253  | 859,713   | 20              | 84/82 | 414,070   | 167,092  | 299,612  | 363,894   |
|                     |       | <b>3,306,597</b>                                       | <b>338,447</b>                                |  |   |                 |       | <b>6,616,382</b>                                      | <b>1,447,556</b>   |  |   |

\*Balance of column (6) funded by the expected retirement assets/benefits.

See the accompanying reports for details of assumptions, data, and logic used to generate the values illustrated.

This is an InsMark supplemental illustration for indexed universal life. In an actual presentation, this footnote will refer to a basic illustration from a specific life insurance company with important details, caveats, and guarantees.

# Retirement Needs Analysis

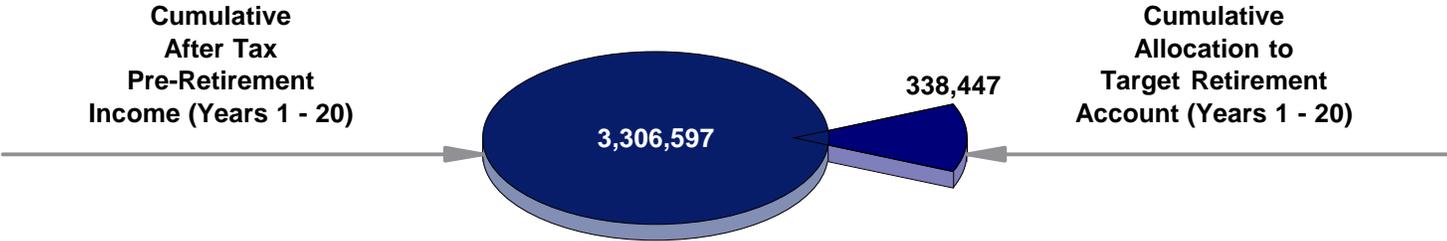
Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

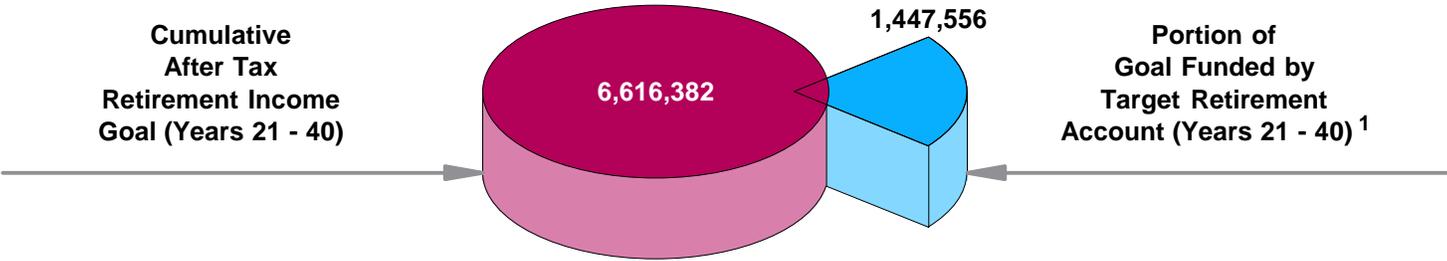
## Summary Analysis

Insured: Bart Jones

### Pre-Retirement Phase



### Retirement Phase



<sup>1</sup>Balance of retirement income funded by expected retirement assets/benefits.

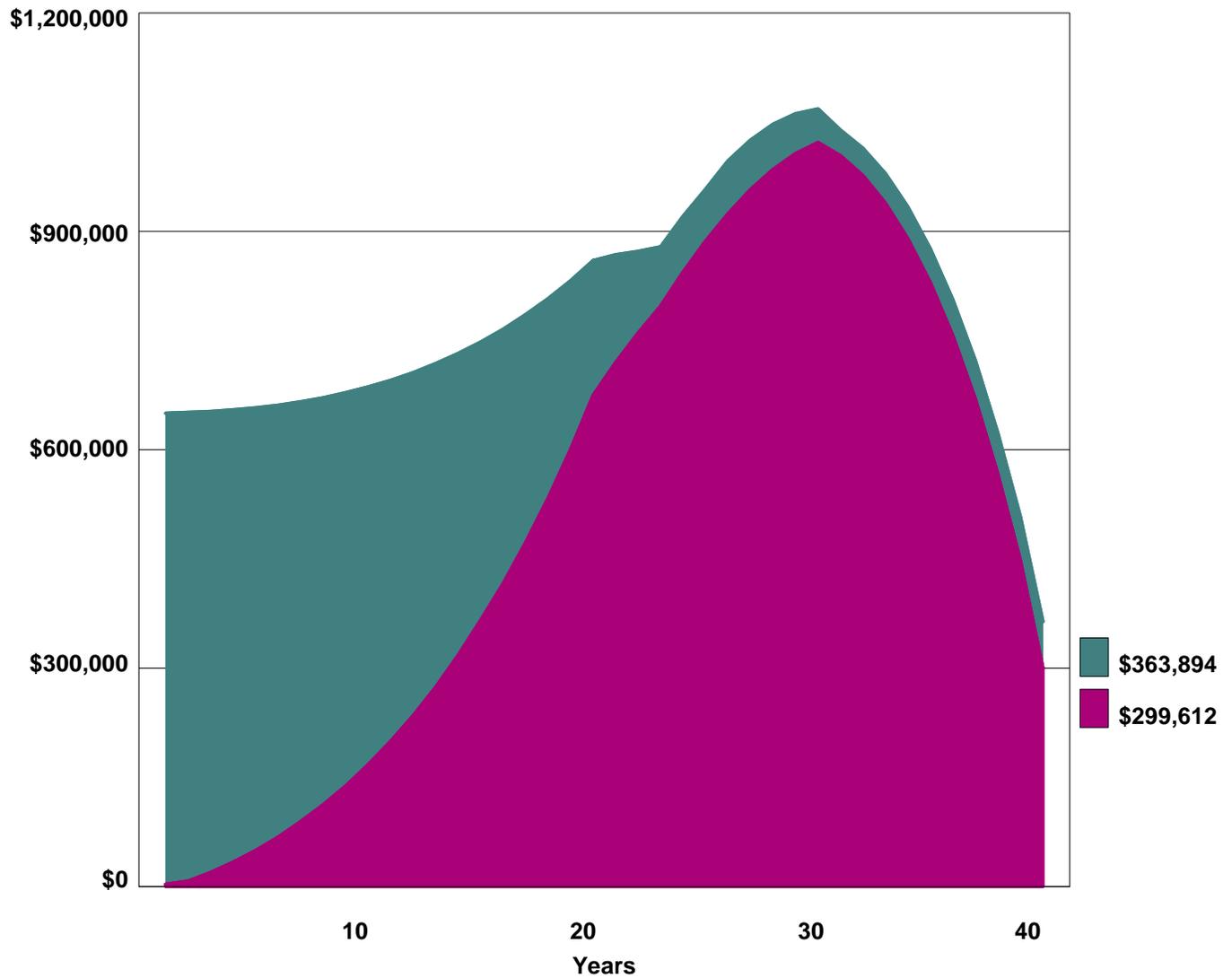
# Retirement Needs Analysis

Presented By: [Licensed user's name appears here]

For: Bart Jones & Kristin Jones

Insured: Bart Jones

## Target Retirement Account Summary



**At Year 40**

Living Values of Target Retirement Account ■ \$299,612

Death Benefit Values of Target Retirement Account ■ \$363,894