



## Performance Evaluation for Robert Doe

## Disclaimer

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Performance Evaluation is a planning concept designed to assist you in exploring the need to review existing life insurance policies and comparing those to current market offerings. However, this presentation is not intended to be a retirement, benefit or estate plan nor is it a specific recommendation for a retirement, benefit or estate plan. This material is for informational purposes only. Although many of the topics presented may also involve legal, tax, accounting or other issues, there is absolutely no intention of offering such advice and this presentation and any other oral or written communication should not be construed as such. BUI and its employees do not provide legal or tax advice.

Individuals interested in this topic should consult their own professional advisors to examine tax, legal, accounting, or financial planning aspects of this topic. As you explore your planning needs with your legal and tax advisors, we hope that you find this analysis useful.

The policy review is based on carrier provided information. This report is not a ledger or a contract. Although every effort was made to avoid them, inaccuracies may have occurred due to input error. The carrier provided materials used for this report are available upon request.

## Purpose

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- **To provide protection for spouse in the event of Robert's death. A pension is currently provided from the US Government, which drops by 65% at Robert's death. The purpose of the insurance is to replace the income gap should Robert be the first to pass.**

## Titling

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- Policy is owned by Robert Doe
- The beneficiary is Jane Doe
  - Contingent Beneficiary is Jessica Doe

## Carrier Financial Information

### Ratings

A.M. Best Company (Best's Rating, 15 ratings)	A+ (2)
Standard & Poor's (Financial Strength, 20 ratings)	AA- (4)
Moody's (Financial Strength, 21 ratings)	A1 (5)
Fitch Ratings(Financial Strength, 21 ratings)	AA- (4)
Comdex Ranking (Percentile in Rated Companies)	93

### Assets & Liabilities

Total Admitted Assets	266,164,441
Total Liabilities	256,216,169
Separate Accounts	139,127,060
Total Surplus & AVR	12,429,784
As % of general Account Assets	9.8%

### Invested Asset Distribution & Yield

Total Invested Assets	120,775,709
Bonds(%)	65.3%
Stocks(%)	5.6%
Mortgages(%)	15.5%
Real Estate(%)	0.5%
Policy Loans(%)	2.4%
Cash & Short-Term(%)	4.2%
Other Invested Assets(%)	6.6%
Net Yield on Mean Invested Assets	
2017 (Industry Average 4.10%)	4.37%
5 Year Average (Industry Average 4.02%)	5.25%

### Non-Performing Assets as % of Surplus & AVR

Bonds In or Near Default	0.5%
Problem Mortgages	0.0%
Real Estate Acquired by Foreclosure	0.0%
Total Non-Performing Assets	0.5%
As a percent of Invested Assets	0.1%

### Bond Quality

Total Value of Bonds	82,920,313
Class 1-2: Highest Quality	93.5%
Class 3-5: Lower Quality	6.4%
Class 6: In or Near Default	0.1%
Weighted Bond Class	1.4

### Income & Earnings

Total Income	31,844,341
Net Premiums Written	25,303,813
Earning Before Dividends and Taxes	749,558
Net Operating Earning	505,276

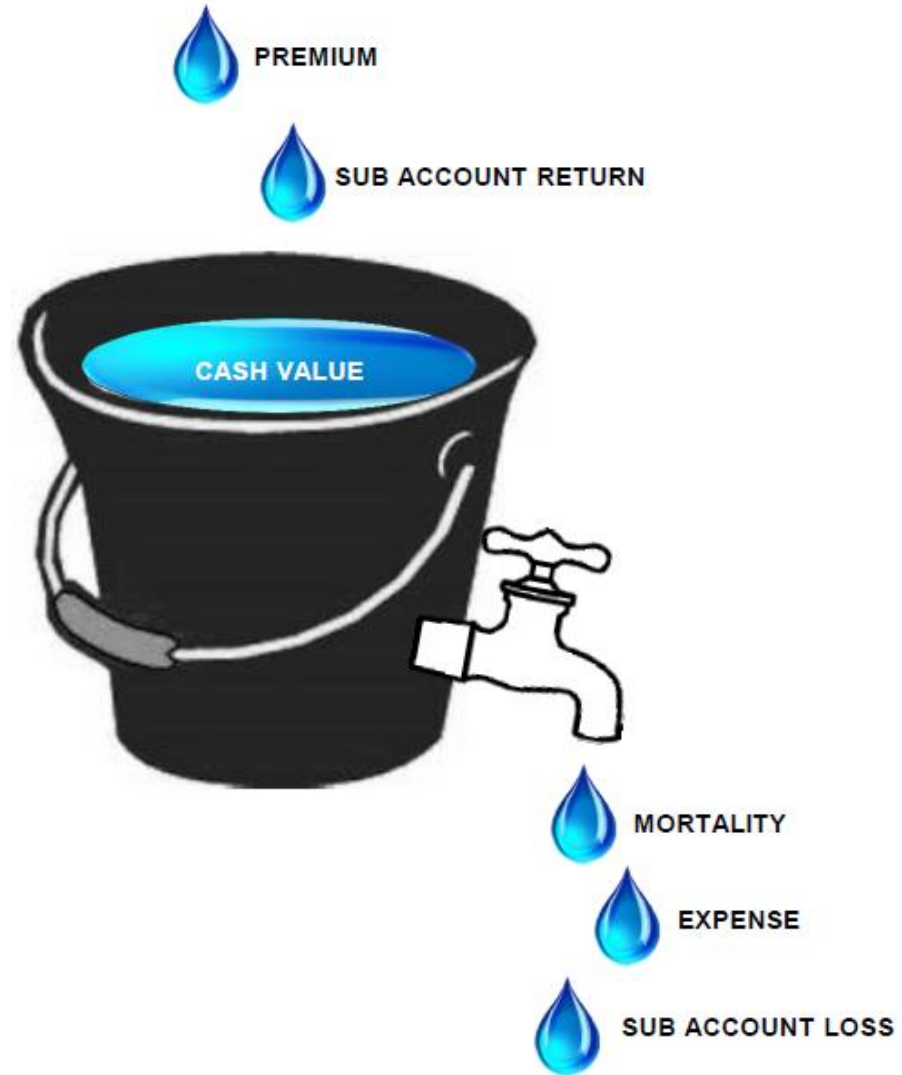
## **Variable Universal Life Insurance**

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Understanding the basics of your policy

# Variable Universal Life

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**Hartford #123456**

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Variable Universal Life Policy



## Hartford #123456

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### Basic Values

- **Issue Date: 08/28/2005**
- **\$355,000 Death Benefit**
- **\$5,500 Annualized Premium**
  - \$458 Paid Monthly
- **\$90,059 Cash Surrender Value**
  - \$90,059 Accumulated Value
- **\$107,583 Cost Basis**

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## Hartford #123456

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As your policy is today...

- **Based on the current \$458 monthly premium...**
  - Assuming guaranteed (maximum) charges, the policy projects to age 79 with a 0% hypothetical return and projects to age 80 with a 5% return.
  - Assuming “current” (non-guaranteed) charges, the policy projects to age 90 with a 5% hypothetical return.
    - Non-guaranteed elements assume the hypothetical interest rate credited and the cost of insurance and administrative expenses will be the same in the future as they are scheduled to be today.

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## Hartford #123456

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To improve the health of your policy...

- **If funding was increased to an \$833 monthly premium (\$9,994 annualized)...**
  - Assuming guaranteed (maximum) charges, the policy projects to age 80 with a 0% hypothetical return and projects to age 81 with a 5% return.
  - Assuming “current” (non-guaranteed) charges, the policy projects to age 110 with a 5% hypothetical return.
    - Non-guaranteed elements assume the hypothetical interest rate credited and the cost of insurance and administrative expenses will be the same in the future as they are scheduled to be today.

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## Hartford #123456

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If the death benefit were reduced...

- **If the death benefit were to be reduced to \$165,000 (the minimum allowed by the insurance company) with no additional premium...**
  - Assuming guaranteed (maximum) charges, the policy projects to age 83 with a 0% hypothetical return and projects to age 85 with a 5% return.
  - Assuming “current” (non-guaranteed) charges, the policy projects to age 110 with a 5% hypothetical return.
    - Non-guaranteed elements assume the hypothetical interest rate credited and the cost of insurance and administrative expenses will be the same in the future as they are scheduled to be today.

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## Hartford #123456

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Thoughts to consider...

- **If maintained, subaccounts should be reviewed carefully and in-force ledgers should be obtained at least every two years and funding should be increased as necessary.**

## Exploring Current Market Perspective

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- **(Perspective 1) By transferring the existing cash value via a 1035 exchange into a new lifetime no-lapse universal life plan, a \$579,031 death benefit could be available when paying the current \$5,500 annual premium.**
  - Lifetime No-Lapse Death Benefit Protection
  - Death benefit increases by \$224,031
  
- **(Perspective 2) By transferring the existing cash value via a 1035 exchange into a new lifetime no-lapse universal life plan with no additional premium, a death benefit of \$369,000 could be available.**
  - Lifetime No-Lapse Death Benefit Protection
  - Death benefit increases by \$14,000
  - Save \$5,500 in annual premium

## Next Steps



## Next Steps

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- 1. Completion of Formal Carrier Application**
- 2. Paramedical Exam**
- 3. BUI Collects Medical Records**
- 4. Receive Formal Carrier Offer**
- 5. Initiate 1035 Exchange**
- 6. Policy Issued / Placed In-Force**



# Questions?

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