

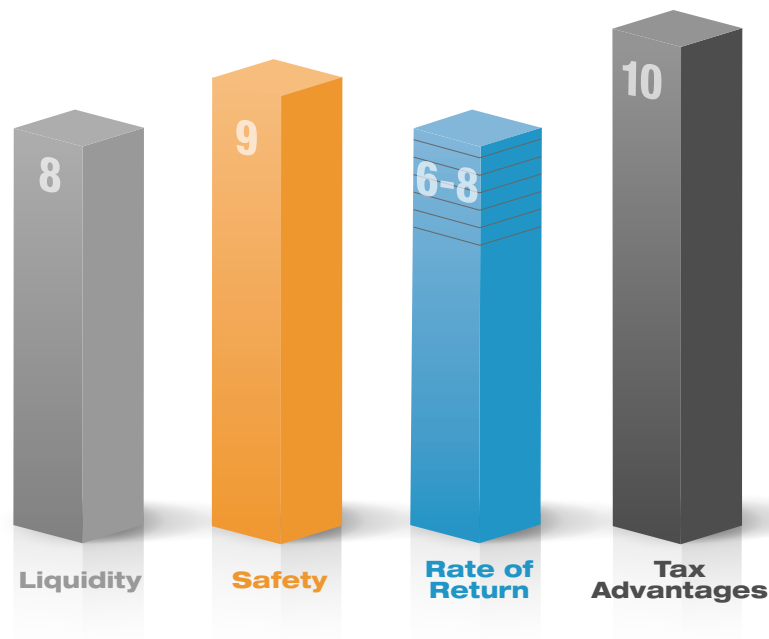
Maximum-Funded Indexed Universal Life Insurance

PURPOSES:

- Cash Value Accumulation
- Tax Reduction and Diversification
- Tax-Free Retirement Income
- Death Benefit and Estate Planning
- Strategic Rollouts
- Working Capital and Business Planning
- Real Estate and Lump Sums
- Emergency Fund
- College Funding, Family, Life
- Chronic and Terminal Illness Protection

Duration: Long-term strategy

Not used for: Short-term strategy



LASER RATINGS

Every product should be rated based on liquidity, safety, rate of return, and tax advantages. *The LASER Ratings below are based on a fully-funded insurance contract. An insurance contract that is not fully-funded would have lower ratings.* Make sure to choose financial products that fit your specific needs and goals. (Ratings are based on a 1-10 scale, 10 being the top rating.)

	RATING	DETAILS
LIQUIDITY	8	You can access cash value by contacting the insurance company. Funds are generally available in 3-10 days. No government penalties exist for accessing your reserves. Most often, you'll want to access your cash value through a loan provision (loans are specifically designed to comply with IRS guidelines for tax-free access). In early years, accessing cash value may hurt long-term policy performance.
SAFETY	9	<ul style="list-style-type: none"> – Safety of Principal: Cash value is not subject to market volatility and is protected from market risk. Products have a 0% floor during down markets. If you do not properly fund your policy, long-term performance may suffer due to policy fees and expenses. – Safety of Institution: Monies are held in an insurance company portfolio. The insurance industry is highly regulated to protect policy holders. We work closely with a select group of A.M. Best Rated A+ companies.
RATE OF RETURN	6-8	Rates of return can be either fixed interest, indexed interest, or a combination of both. Rates can be tied to market-based potential growth through indexing. Products we recommend generally have indexed returns that have historically averaged from 6% to 8%.
TAX ADVANTAGES	10	Money grows tax-deferred. Most often, you'll access your cash value tax-free through loans.* Upon your death, your death benefit transfers income tax-free to your beneficiaries. Any policy loans from the cash value are income tax-free while the policy remains in force. Surrendering your policy may cause a taxable event. Seek professional tax advice for your specific situation.

The LASER Rating System™ is the proprietary methodology used to assist clients in understanding product uses and risks. LASER Ratings are based on comparisons to other financial products.

**Policy loans will reduce the available cash value and death benefit, and excessive policy loans may cause the policy to lapse, or affect guarantees against lapse. Additional premium payments may be required to keep the policy in force. In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax. Tax laws are subject to change, and you should consult a tax professional.*

PURPOSES

- **Cash Value Accumulation** – When the market goes up, your policy can accumulate cash value based on interest rate changes in an external index of your choice and your chosen crediting methods. With a 0% floor, your policy is guaranteed to never lose due to a downturn in the market. (Policy fees and expenses may reduce cash value.)
- **Tax Reduction** – Too many Americans fail to comprehend that at retirement, they will likely find themselves in a tax bracket that's as high as or higher than during their working years. Many will have lost deductions such as mortgage, dependent, business write-offs, and IRA/401(k) contributions. Since the money you access from your LASER Fund can be tax-free, The LASER Fund can help minimize your tax liability during retirement.
- **Tax Diversification** – Just as it is important to diversify your financial portfolio, it can also be beneficial to diversify your "tax portfolio." This means having some of your income in retirement being tax-free, as well as some tax-deferred. The LASER Fund can help diversify your tax portfolio with tax-free retirement income.
- **Tax-Free Retirement Income** – Once your after-tax money is inside your LASER Fund, your money can grow tax-deferred, you can access it tax-free, and you can transfer it income tax-free to your heirs upon your passing. The best way to access money from the cash value is through tax-free loans (loans are specifically designed to comply with IRS guidelines for tax-free access). As long as the policy remains in force, no tax will be owed on these loans. Over-loan protection riders are available to keep policies from lapsing due to loans.
- **Strategic Rollouts** – From penalties on early withdrawals, to penalties for late RMD withdrawals, traditional vehicles have many strings attached. That said, IRAs and 401(k)s may have a worthwhile place in your financial portfolio. Consider strategically rolling out a portion of your serious cash into a LASER Fund. Government restrictions for IRAs and 401(k)s, such as limits to annual contributions and potential early withdrawal, do not apply to Universal Life insurance policies.
- **Death Benefit and Estate Planning** – The primary reason for anyone to own an Indexed Universal Life policy must be the death benefit. While most people don't anticipate passing along the income tax-free death benefit to their heirs until later in life, the death benefit can bring critical financial security and opportunities to loved ones at any time—whether that's in later years, or unexpectedly, in younger years. LASER Funds, unlike other financial vehicles, also offer an excellent path to transferring wealth income tax-free.

DURATION

Insurance policies used for cash value accumulation and tax benefits are a long-term product. Any policy loans from the cash value are income-tax free while the policy remains in force. Because of the long-term design, surrendering your policy may cause a taxable event.

NOT USED FOR

Insurance policies are not a short-term strategy.

■ **Working Capital and Business Planning** – Thousands of savvy professionals use LASER Funds for working capital, because it provides significant advantages over traditional methods, including higher rates of return (average of 7% instead of 0% to 2%), death benefit protection, and liquid access. It can also be used in business planning for “key person insurance” and some forms of buy-sell agreements.

■ **Real Estate and Lump Sums** – The downsizing of primary or secondary real estate, and setting aside the after-sale proceeds into a LASER Fund, is a popular strategy that may yield more money for retirement. Selling investment property can also bring large dividends. With younger clients, we often recommend acquiring a 30-year mortgage, and then paying the difference in payment between a 15-year mortgage and a 30-year mortgage into The LASER Fund for liquidity and cash value accumulation.

■ **Emergency Fund** – There’s not one of us who hasn’t experienced life’s unpredictability. Whether it’s an injury, an illness, a job loss, or a friend or loved one in need, The LASER Fund can be a valuable reservoir, supplying the means to manage unexpected financial challenges.

Most emergency funds pay very little interest due to their ease of access (liquidity). In comparison, The LASER Fund can credit competitive rates of return averaging historically from 6% to 8%, while also being liquid.

■ **College Funding, Family, Life** – Many policyholders leverage the cash value in their LASER Fund to fund the family’s worthwhile endeavors, such as education, weddings, humanitarian and religious missions, even big vacations with extended family. The LASER Fund becomes the generator for their family’s Legacy Bank, empowering themselves, their children, and their grandchildren to pursue meaningful experiences.

■ **Accelerated Benefits Riders** – There are optional (no-additional cost with some carriers) riders that can allow you to access all or part of your death benefit, while living, if you experience a qualifying **terminal, chronic, or critical illness, or critical injury**. Benefits might be used for, but are not limited to, household expenses, adult day care, home modifications, regular bills, nursing home care, and quality of life expenditures.

With any mention of The LASER Fund, max-funded tax-advantaged insurance contracts, or related financial vehicles, let it be noted that life insurance policies are not investments and, accordingly, should not be purchased as an investment.

Work with your financial professional to determine if and how an insurance policy might be right for your specific situation.

This brochure is not intended to provide comprehensive information regarding Indexed Universal Life insurance policies. This is general information only. Each insurance product will have specific features, benefits, and limitations.

Policy loans will reduce the available cash value and death benefit, and excessive policy loans may cause the policy to lapse, or affect guarantees against lapse. Additional premium payments may be required to keep the policy in force. In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax. Guarantees are based on the financial strength and claims-paying ability of the issuing insurance company.

Tax laws are subject to change, and you should consult a tax professional. Seek professional tax advice for your specific situation.

HOW THE LASER FUND WORKS

The LASER Fund can be compared to owning an apartment building. If you were to own your own five-story apartment building, your goal would be to rent out all five floors in order to maximize profit and minimize expenses.

The LASER Fund is similar. To maximize your returns and minimize your expenses, you want to fill up your policy with maximum planned premiums (this is like renting out all the available space). This can be accomplished in as few as five years to be compliant with TAMRA guidelines.*

PHASE I – DESIGN & APPROVAL

Based on your financial and retirement goals, your licensed financial professional helps determine the size of The LASER Fund policy. These policies can be structured to hold thousands or even millions of dollars.

Once you've determined the size of your policy, your financial professional will structure your policy for optimal performance, which includes being in full compliance with the IRS tax code. You'll also develop a plan to maximum fund (put the maximum allowable amount of premium) into your policy over the next five or more years.

The plan then gets submitted to pre-selected insurance companies for underwriting and approval.

PHASE II – ACQUISITION

This stage begins when you put your policy in force. This simply means that you make the first premium payment, paid directly into the account of the insurance company selected for the policy.

At the end of Phase II, The LASER Fund is usually about one-fifth max-funded.



PHASE III – MAXIMUM FUNDING

The LASER Fund's next phase focuses on filling the policy with all the planned premiums. This phase generally takes place during Years 2 – 5, but can take longer, depending on the way you structure and fund the plan.

PHASE IV – PROFITS & DISTRIBUTION

Phase IV is like having the building fully rented, and with The LASER Fund maximum funded, you can work with your financial professional to decide when to take distributions, how often, and how much to access from the cash value on a tax-favored basis.

The best way to access money from the account is through tax-free loans. As long as the policy remains in force, no tax will be owed on these loans. While you can choose to repay loans on your policy, it is not mandatory—these loans are not due and payable during your lifetime, and are washed away upon your death.



** For more information on TAMRA and other LASER Fund details, please consult your financial professional.*



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