

Analysis of the Cost of Waiting

To be certain of having life insurance when you need it, you should acquire it before you need it. So an important factor to consider involves the advantage of acquiring your policy now -- while your health may be the best it ever will be. Of even greater importance, should something unexpectedly happen to you in the short term, your family will be protected.

There is usually another reason for acquiring your life insurance early. The example below illustrates a comparison of buying a policy now versus waiting five years to buy it.

Insured: Valued Client Current Age: 45

Pac. Indexed Accumulator III Plan A: Buy Now*

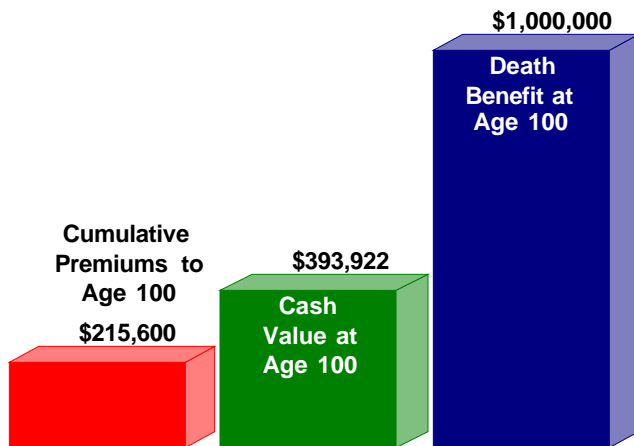
Initial Policy Death Benefit:	1,000,000
Policy Premium:	3,920
Number of Premiums to Age 100:	55
Cum. Premiums at Age 100:	215,600
Cash Value at Age 100:	393,922
Death Benefit at Age 100:	1,000,000

Pac. Indexed Accumulator III Plan B: Wait Five Years to Buy**

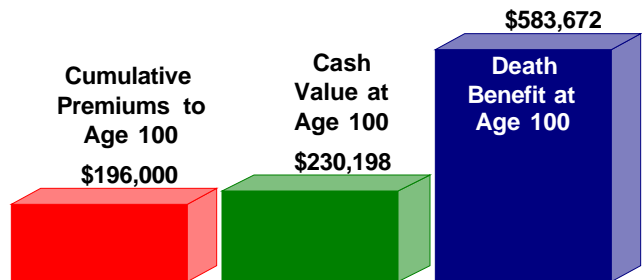
Initial Policy Death Benefit:	583,672
Policy Premium:	3,920
Number of Premiums to Age 100:	55
Cum. Premiums at Age 100:	196,000
Cash Value at Age 100:	230,198
Death Benefit at Age 100:	583,672

Cash Value Gain at Age 100 by Buying Now: \$163,724
Premiums Saved by Waiting Five Years to Buy: \$19,600

Plan A: Buy Now*



Plan B: Wait Five Years to Buy**



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Analysis of the Cost of Waiting

Pac. Indexed Accumulator III Issued at Age 45 vs. Pac. Indexed Accumulator III Issued at Age 50

Comparison Page: 1
Date: 12/13/2010

Presented By: Kenneth B. Sapon, R.Ph., LUTCF, CLU

Insured: Valued Client

Male
Age
45

Policy Owner
Tax Bracket
33.00%

Male
Age
50

Plan A: PIA-III Issued at Age 45

Plan B: PIA-III Issued at Age 50

Year	Plan A: PIA-III Issued at Age 45				Plan B: PIA-III Issued at Age 50			
	(1) Net Payment	(2) Year End Accum Value*	(3) Year End Surrender Value*	(4) Death Benefit	(5) Net Payment	(6) Year End Accum Value**	(7) Year End Surrender Value**	(8) Death Benefit
1	3,920	2,403	285	1,000,000	0	0	0	0
2	3,920	4,660	2,777	1,000,000	0	0	0	0
3	3,920	6,779	5,131	1,000,000	0	0	0	0
4	3,920	8,791	7,379	1,000,000	0	0	0	0
5	3,920	11,792	10,616	1,000,000	0	0	0	0
6	3,920	15,013	14,072	1,000,000	3,920	2,184	579	583,672
7	3,920	18,301	17,595	1,000,000	3,920	4,271	2,844	583,672
8	3,920	21,616	21,146	1,000,000	3,920	6,252	5,004	583,672
9	3,920	24,950	24,714	1,000,000	3,920	8,146	7,076	583,672
10	3,920	29,207	29,207	1,000,000	3,920	10,891	9,999	583,672
11	3,920	34,504	34,504	1,000,000	3,920	13,884	13,171	583,672
12	3,920	39,832	39,832	1,000,000	3,920	16,943	16,408	583,672
13	3,920	45,122	45,122	1,000,000	3,920	20,054	19,698	583,672
14	3,920	50,362	50,362	1,000,000	3,920	23,150	22,972	583,672
15	3,920	56,586	56,586	1,000,000	3,920	26,960	26,960	583,672
16	3,920	62,931	62,931	1,000,000	3,920	31,512	31,512	583,672
17	3,920	69,428	69,428	1,000,000	3,920	36,087	36,087	583,672
18	3,920	75,985	75,985	1,000,000	3,920	40,609	40,609	583,672
19	3,920	82,541	82,541	1,000,000	3,920	45,029	45,029	583,672
20	3,920	90,530	90,530	1,000,000	3,920	50,167	50,167	583,672
	78,400				58,800			

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Analysis of the Cost of Waiting

Pac. Indexed Accumulator III Issued at Age 45 vs. Pac. Indexed Accumulator III Issued at Age 50

Comparison Page: 2
Date: 12/13/2010

Presented By: Kenneth B. Sapon, R.Ph., LUTCF, CLU

Insured: Valued Client

Male
Age
45

Policy Owner
Tax Bracket
33.00%

Male
Age
50

Plan A: PIA-III Issued at Age 45

Plan B: PIA-III Issued at Age 50

Year	Plan A: PIA-III Issued at Age 45				Plan B: PIA-III Issued at Age 50			
	(1) Net Payment	(2) Year End Accum Value*	(3) Year End Surrender Value*	(4) Death Benefit	(5) Net Payment	(6) Year End Accum Value**	(7) Year End Surrender Value**	(8) Death Benefit
21	3,920	98,818	98,818	1,000,000	3,920	55,353	55,353	583,672
22	3,920	107,208	107,208	1,000,000	3,920	60,647	60,647	583,672
23	3,920	115,563	115,563	1,000,000	3,920	65,936	65,936	583,672
24	3,920	123,773	123,773	1,000,000	3,920	71,141	71,141	583,672
25	3,920	133,537	133,537	1,000,000	3,920	77,182	77,182	583,672
26	3,920	143,624	143,624	1,000,000	3,920	83,473	83,473	583,672
27	3,920	153,734	153,734	1,000,000	3,920	89,818	89,818	583,672
28	3,920	163,707	163,707	1,000,000	3,920	96,100	96,100	583,672
29	3,920	173,414	173,414	1,000,000	3,920	102,231	102,231	583,672
30	3,920	185,107	185,107	1,000,000	3,920	109,384	109,384	583,672
31	3,920	197,190	197,190	1,000,000	3,920	116,834	116,834	583,672
32	3,920	209,226	209,226	1,000,000	3,920	124,314	124,314	583,672
33	3,920	220,983	220,983	1,000,000	3,920	131,656	131,656	583,672
34	3,920	232,289	232,289	1,000,000	3,920	138,752	138,752	583,672
35	3,920	245,992	245,992	1,000,000	3,920	147,025	147,025	583,672
36	3,920	259,806	259,806	1,000,000	3,920	155,420	155,420	583,672
37	3,920	273,203	273,203	1,000,000	3,920	163,622	163,622	583,672
38	3,920	285,850	285,850	1,000,000	3,920	171,402	171,402	583,672
39	3,920	297,466	297,466	1,000,000	3,920	178,579	178,579	583,672
40	3,920	311,290	311,290	1,000,000	3,920	186,676	186,676	583,672
	156,800				137,200			

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Analysis of the Cost of Waiting

Pac. Indexed Accumulator III Issued at Age 45 vs. Pac. Indexed Accumulator III Issued at Age 50

Comparison Page: 3
Date: 12/13/2010

Presented By: Kenneth B. Sapon, R.Ph., LUTCF, CLU

Insured: Valued Client

Male
Age
45

Policy Owner
Tax Bracket
33.00%

Male
Age
50

Plan A: PIA-III Issued at Age 45

Plan B: PIA-III Issued at Age 50

Year	Plan A: PIA-III Issued at Age 45				Plan B: PIA-III Issued at Age 50			
	(1) Net Payment	(2) Year End Accum Value*	(3) Year End Surrender Value*	(4) Death Benefit	(5) Net Payment	(6) Year End Accum Value**	(7) Year End Surrender Value**	(8) Death Benefit
41	3,920	324,696	324,696	1,000,000	3,920	194,546	194,546	583,672
42	3,920	336,941	336,941	1,000,000	3,920	201,744	201,744	583,672
43	3,920	347,501	347,501	1,000,000	3,920	207,914	207,914	583,672
44	3,920	355,886	355,886	1,000,000	3,920	212,729	212,729	583,672
45	3,920	365,657	365,657	1,000,000	3,920	217,745	217,745	583,672
46	3,920	372,570	372,570	1,000,000	3,920	220,862	220,862	583,672
47	3,920	375,178	375,178	1,000,000	3,920	221,522	221,522	583,672
48	3,920	376,130	376,130	1,000,000	3,920	222,130	222,130	583,672
49	3,920	375,588	375,588	1,000,000	3,920	221,866	221,866	583,672
50	3,920	378,434	378,434	1,000,000	3,920	223,042	223,042	583,672
51	3,920	381,613	381,613	1,000,000	3,920	224,478	224,478	583,672
52	3,920	384,566	384,566	1,000,000	3,920	225,905	225,905	583,672
53	3,920	386,986	386,986	1,000,000	3,920	227,083	227,083	583,672
54	3,920	388,716	388,716	1,000,000	3,920	227,918	227,918	583,672
55	3,920	393,922	393,922	1,000,000	3,920	230,198	230,198	583,672
	215,600				196,000			

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Analysis of the Cost of Waiting

Pac. Indexed Accumulator III Issued at Age 45 vs. Pac. Indexed Accumulator III Issued at Age 50

Comparison Page: 4
Date: 12/13/2010

Presented By: Kenneth B. Sapon, R.Ph., LUTCF, CLU

Insured: Valued Client

Male	Policy Owner
Age	Tax Bracket
45	33.00%

Gross Interest Rate Required over 55 Years on a Hypothetical Taxable Investment Equal to the First Five Premiums of Plan A in Order to Match the Increase in Cash Values of Plan A over Plan B.

	Hypothetical Taxable Alternative
To match increase in Accumulation Value of \$163,724:	6.09%
To match increase in Surrender Value of \$163,724:	6.09%

Plan A: Buy Now

Please refer to the actual specific carrier and its illustration proposals which must accompany this presentation.

Plan B: Wait Five Years to Buy

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Analysis of the Cost of Waiting

Pac. Indexed Accumulator III Issued at Age 45

vs.

Pac. Indexed Accumulator III Issued at Age 50

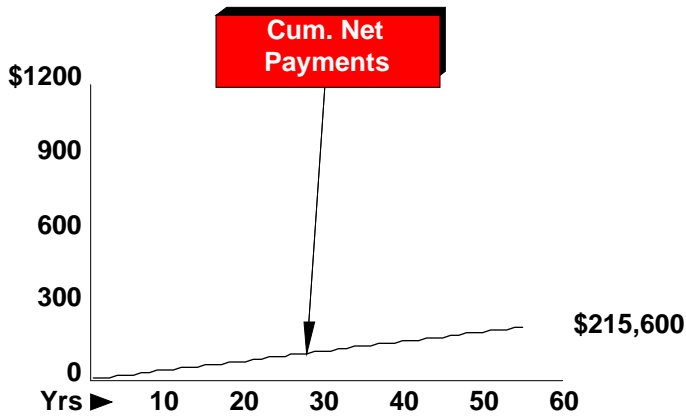
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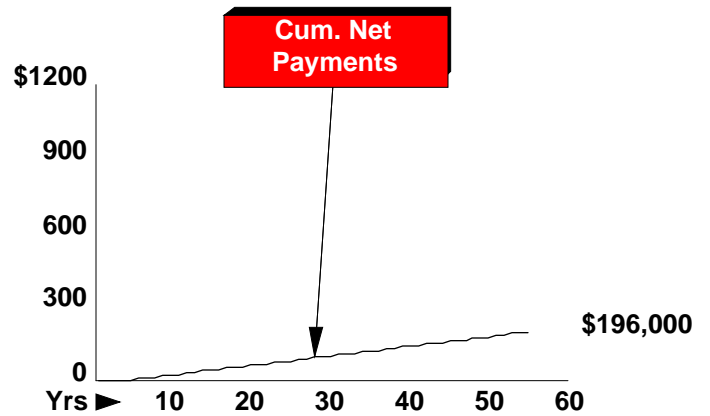
Insured: Valued Client

55 Year Graphic Analysis

**Pac. Indexed Accumulator III
Plan A: Buy Now**



**Pac. Indexed Accumulator III
Plan B: Wait Five Years to Buy**



Comparative Analysis of Values

