

30 Year ROP Term
vs.
Term Insurance and Any Taxable Investment

Introduction

A decision to acquire additional life insurance can represent one of several significant phases in your overall financial planning. An important part of this decision will involve your selection of the appropriate life insurance policy.

There are several other factors to consider. These include:

1. The time frame for the insurance need;
2. Your available cash flow;
3. Your alternative uses for the cash flow;
4. The income tax considerations.

An integrated analysis of these points creates useful information that helps guide your purchasing evaluation. The precision of the conclusions, however, is contingent upon the accuracy of the data utilized. You should be positive that all premises and conditions accurately reflect your goals and expectations.

The accompanying analysis contrasts a cash value policy to a term insurance alternative. Any difference in premiums between the two choices has been evaluated regarding time/use of money. The study produces information which should form a basis from which you and your advisors can draw informed conclusions.

Based upon the results of the analysis, we recommend funding your life insurance requirement with the cash value policy illustrated rather than a term life insurance policy.

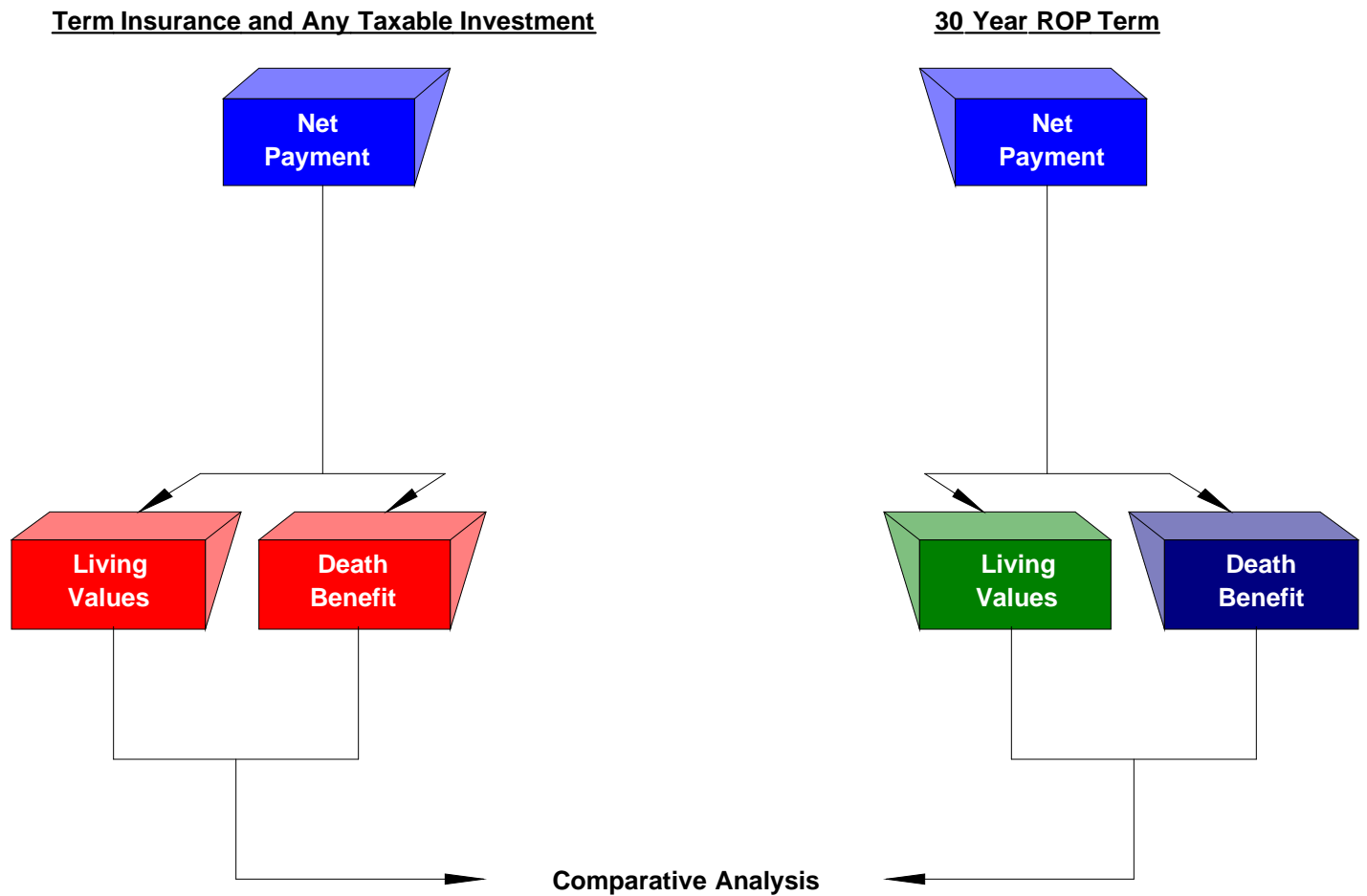
30 Year ROP Term vs. Term Insurance and Any Taxable Investment

Date: 12/27/2013

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

For: Male 45

Flow Chart Analysis



30 Year ROP Term vs. Term Insurance and Any Taxable Investment

Comparison Page: 1
Date: 12/27/2013

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

For: Male 45

Male
Age 45
Any Taxable
Investment
Yield 5.00%
Income
Tax Rate 40.00%
Initial
Death Benefit 1,000,000

Year	Payment Allocation			1,000,000 Term Insurance Along with Any Taxable Investment				Term ROP 30		
	(1) Cost of the Proposed Policy	(2) Alternative Term Policy Premium	(3) Net to Any Taxable Investment (1) - (2)	(4) Pre-Tax Investment Income	(5) After Tax Investment Income	(6) Any Taxable Investment Values	(7) Term Death Benefit	(8) Year End Accum Value*	(9) Year End Surrender Value*	(10) Death Benefit
1	3,870	1,860	2,010	101	60	2,070	1,000,000	0	0	1,000,000
2	3,870	1,860	2,010	204	122	4,203	1,000,000	0	0	1,000,000
3	3,870	1,860	2,010	311	186	6,399	1,000,000	0	0	1,000,000
4	3,870	1,860	2,010	420	252	8,661	1,000,000	0	0	1,000,000
5	3,870	1,860	2,010	534	320	10,992	1,000,000	0	0	1,000,000
6	3,870	1,860	2,010	650	390	13,392	1,000,000	0	0	1,000,000
7	3,870	1,860	2,010	770	462	15,864	1,000,000	0	0	1,000,000
8	3,870	1,860	2,010	894	536	18,410	1,000,000	0	0	1,000,000
9	3,870	1,860	2,010	1,021	613	21,032	1,000,000	0	0	1,000,000
10	3,870	1,860	2,010	1,152	691	23,734	1,000,000	0	0	1,000,000
11	3,870	1,860	2,010	1,287	772	26,516	1,000,000	0	0	1,000,000
12	3,870	1,860	2,010	1,426	856	29,382	1,000,000	0	0	1,000,000
13	3,870	1,860	2,010	1,570	942	32,334	1,000,000	0	0	1,000,000
14	3,870	1,860	2,010	1,717	1,030	35,374	1,000,000	0	0	1,000,000
15	3,870	1,860	2,010	1,869	1,122	38,505	1,000,000	0	0	1,000,000
16	3,870	1,860	2,010	2,026	1,215	41,731	1,000,000	0	0	1,000,000
17	3,870	1,860	2,010	2,187	1,312	45,053	1,000,000	0	0	1,000,000
18	3,870	1,860	2,010	2,353	1,412	48,475	1,000,000	0	0	1,000,000
19	3,870	1,860	2,010	2,524	1,515	51,999	1,000,000	0	0	1,000,000
20	3,870	1,860	2,010	2,700	1,620	55,630	1,000,000	0	0	1,000,000
	77,400	37,200	40,200							

20 Year Summary

*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 ING.

	Term Policy	Term ROP 30
After Tax Payments	77,400	77,400
Living Values	55,630	0
Death Benefit	1,000,000	1,000,000

30 Year ROP Term vs. Term Insurance and Any Taxable Investment

Comparison Page: 2
Date: 12/27/2013

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

For: Male 45

Male
Age 45
Any Taxable
Investment
Yield 5.00%
Income
Tax Rate 40.00%
Initial
Death Benefit 1,000,000

Year	Payment Allocation			1,000,000 Term Insurance Along with Any Taxable Investment				Term ROP 30		
	(1) Cost of the Proposed Policy	(2) Alternative Term Policy Premium	(3) Net to Any Taxable Investment (1) - (2)	(4) Pre-Tax Investment Income	(5) After Tax Investment Income	(6) Any Taxable Investment Values	(7) Term Death Benefit	(8) Year End Accum Value*	(9) Year End Surrender Value*	(10) Death Benefit
21	3,870	1,860	2,010	2,882	1,729	59,369	1,000,000	0	0	1,000,000
22	3,870	1,860	2,010	3,069	1,841	63,220	1,000,000	0	0	1,000,000
23	3,870	1,860	2,010	3,262	1,957	67,187	1,000,000	0	0	1,000,000
24	3,870	1,860	2,010	3,460	2,076	71,273	1,000,000	0	0	1,000,000
25	3,870	1,860	2,010	3,664	2,198	75,482	1,000,000	0	0	1,000,000
26	3,870	1,860	2,010	3,875	2,325	79,816	1,000,000	0	0	1,000,000
27	3,870	1,860	2,010	4,091	2,455	84,281	1,000,000	0	0	1,000,000
28	3,870	1,860	2,010	4,315	2,589	88,880	1,000,000	0	0	1,000,000
29	3,870	1,860	2,010	4,544	2,727	93,617	1,000,000	0	0	1,000,000
30	3,870	1,860	2,010	4,781	2,869	98,495	1,000,000	116,100	116,100	1,000,000

116,100 55,800 60,300

30 Year Summary

	Term Policy	Term ROP 30
After Tax Payments	116,100	116,100
Living Values	98,495	116,100
Death Benefit	1,000,000	1,000,000

*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 ING.

30 Year ROP Term vs. Term Insurance and Any Taxable Investment

MV Page: 1
Date: 12/27/2013

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

For: Male 45

	Any Taxable	Income	Initial
Male	Investment	Tax Rate	Death Benefit
Age	Yield	40.00%	1,000,000
45	5.00%		

Matching Values

Gross Interest Rate Required on Any Taxable Investment to Match 30 Year ROP Term Policy Values over 30 Years After Applying the Term Payment Illustrated

	Gross Interest Rate Required
To match Accumulation Value of: \$116,100	6.57%
To match Surrender Value of: \$116,100	6.57%

Income Tax Considerations

1. Any Taxable Investment: Interest is taxed as earned.
2. 30 Year ROP Term:
 - a. Death Benefit including available cash value component is income tax free.
 - b. Loans are income tax free as long as the policy is kept in force.
 - c. Withdrawals and other non-loan policy cash flow up to cost basis (not in violation of IRC Section 7702) are income tax free as a return of premium.
 - d. Cash values shown assume most favorable combination of b and/or c.

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 ING.

30 Year ROP Term vs. Term Insurance and Any Taxable Investment

Date: 12/27/2013

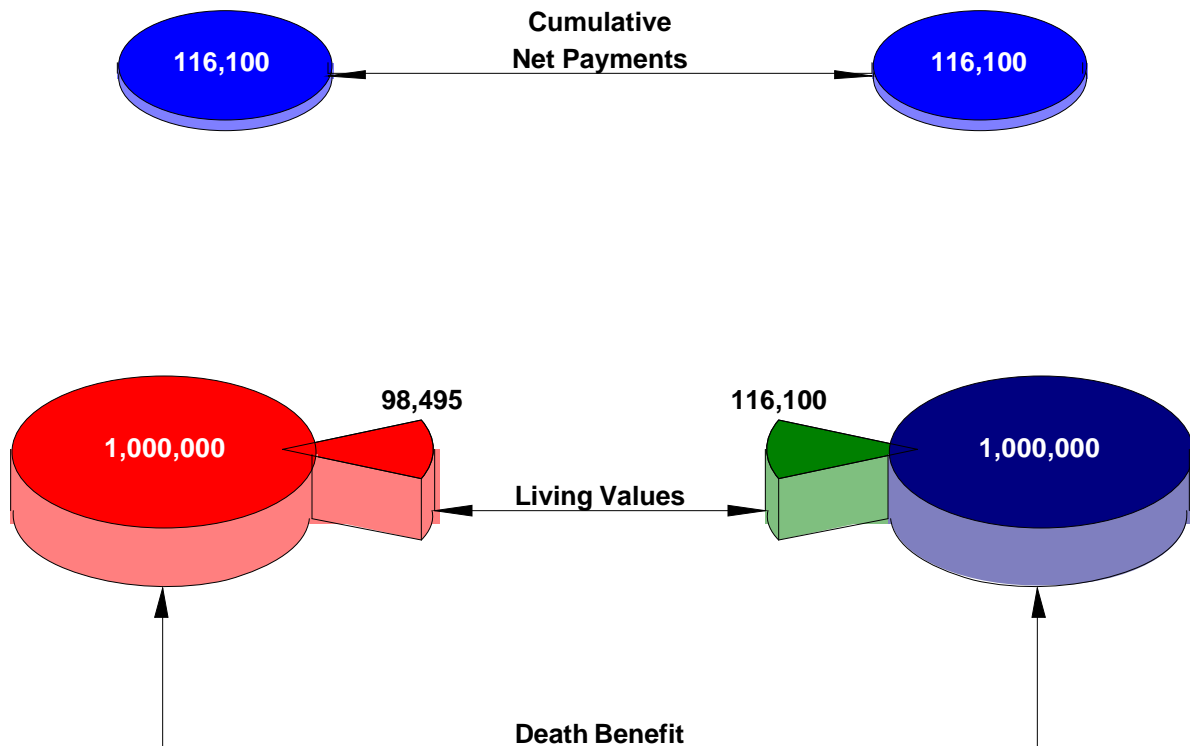
Presented By: Kenneth Sapon, CLU, CLTC, LUTCF, R.Ph.

For: Male 45

30th Year Summary Analysis

Term Insurance and Any Taxable Investment

30 Year ROP Term



30 Year ROP Term vs. Term Insurance and Any Taxable Investment

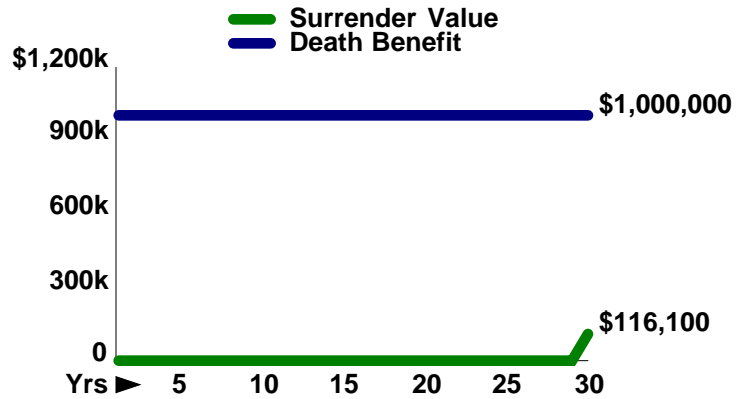
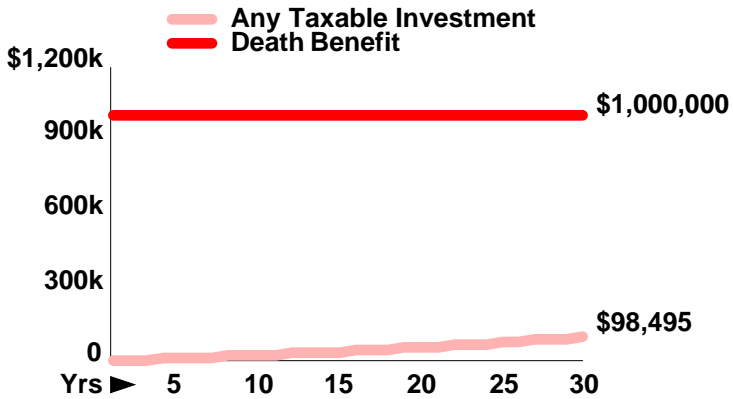
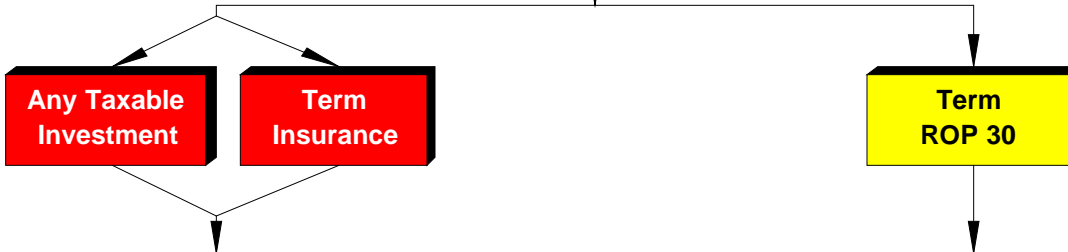
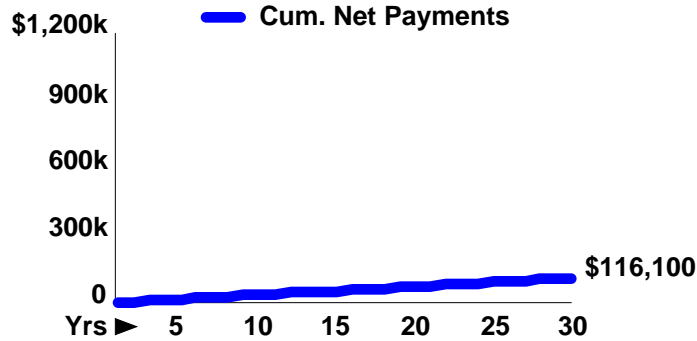
Date: 12/27/2013

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

For: Male 45

30 Year Graphic Analysis

Cumulative Payments



30 Year ROP Term vs. Term Insurance and Any Taxable Investment

Date: 12/27/2013

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

For: Male 45

30 Year Graphic Analysis

