



LIFE ASSURANCE 360™

OVERVIEW

The Life Assurance 360™ Process is our approach to designing, implementing, and managing life insurance. We have found that when equal consideration is given to carrier strength, product design, obtaining favorable underwriting results, and ongoing policy management, the results are exponentially better for clients than when any one of these areas are addressed in isolation. Knowing this, we feel it is our duty as professionals to take a comprehensive, 360° approach to life insurance.

FOUR KEY AREAS ADDRESSED BY THE LIFE ASSURANCE 360™ PROCESS:

STRENGTH | selecting companies committed to policyholders for the long-run

Tool: STAR Rankings™

PURPOSE | designing plans to achieve intended purpose

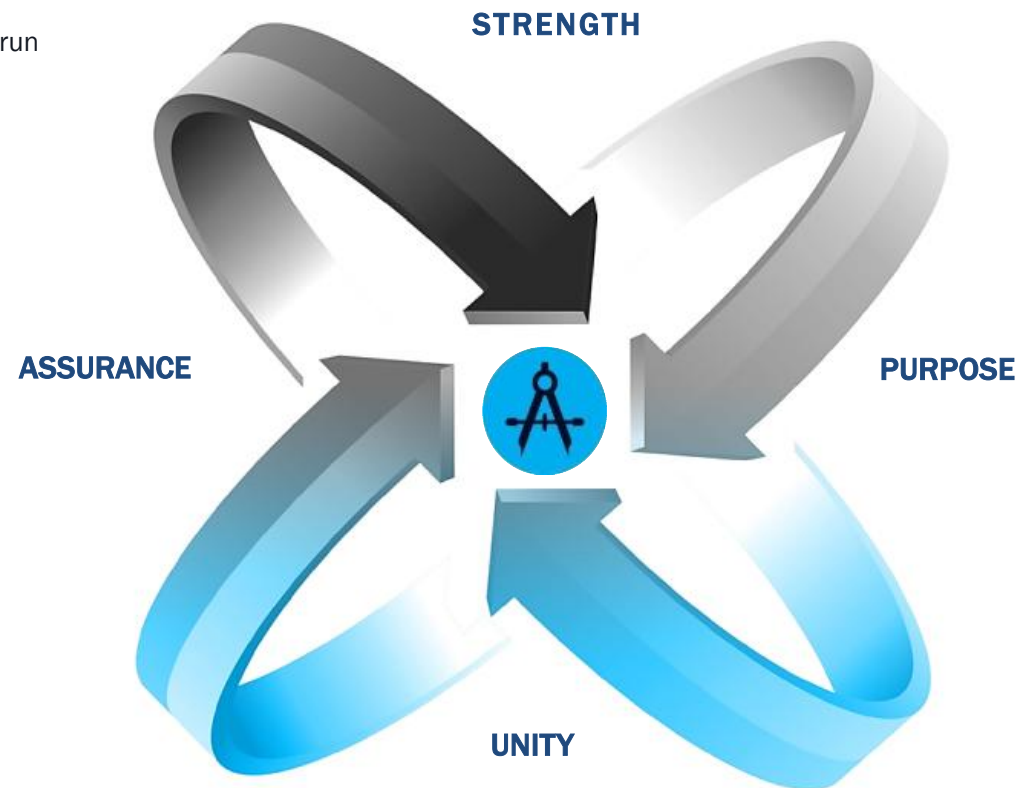
Tools: Life Assurance Design Questionnaire™ & Life Assurance Blueprint™

UNITY | unifying plan design with medical underwriting

Tools: Underwriting Advocacy™ Program & PURE™ Process

ASSURANCE | providing ongoing policy service

Tools: Policy Service Agreement™ & TOLI Vault™





LIFE ASSURANCE 360™

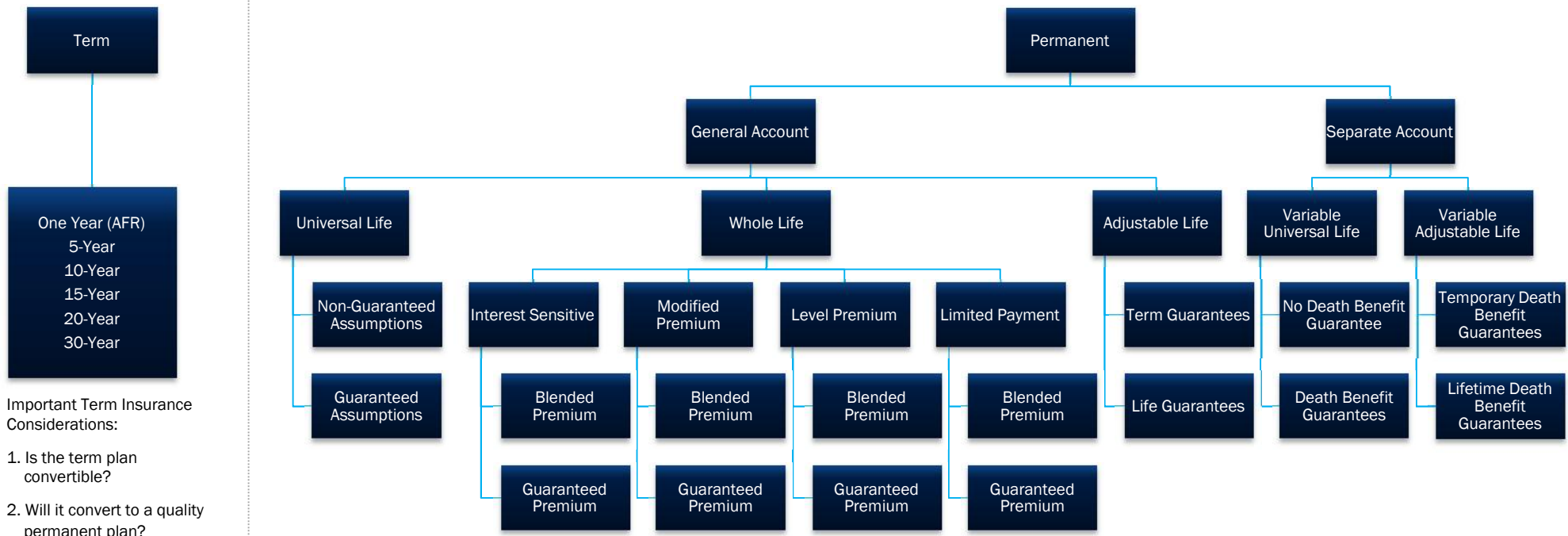
LIFE INSURANCE FAMILY TREES

Life insurance falls into two overall categories. The first is Term Insurance, which offers lower premiums and protection for a limited time period. The second is Permanent Insurance, which requires higher premiums and offers cash values and death benefit protection that can continue throughout the insured's lifetime. Guarantees, coverage periods, features and riders vary widely among all policies. The variation is greatest among permanent policies.

The cash values of General Account (non-variable) policies are associated with an underlying fixed income portfolio of assets selected by the insurance company (generally bonds and mortgages). The cash values of Separate Account (or variable) policies are allocated by the policy-owner among sub-accounts, which can focus on equity or fixed income investments. Many factors, such as expenses and mortality experience, substantially impact the performance of all permanent life insurance policies.

Among permanent products, Universal Life (UL) provides flexible premiums with relatively minimal guarantees. In some cases, UL policies offer supplemental guarantees, which can guarantee death benefit protection even after cash values expire. Adjustable Life policies offer varying guarantees based on the premium level. Whole life policies provide lifetime guarantees for higher premiums. Whole life premiums can be reduced by blending the whole life policy with a term rider or by using a modified premium structure (blended premiums). In either approach, some level of guarantee is sacrificed to obtain lower premiums.

Due to this wide variance in structure, options, riders, guarantees and assumptions, a premium or illustration comparison alone is an inadequate and potentially misleading basis for comparison of life insurance policies.





LIFE ASSURANCE 360™

ESTIMATED FUNDING RANGES FOR \$1M OF COVERAGE

MALE - PREFERRED NONSMOKER

Product	Age 45		Age 55		Age 65		Age 75	
	Low	High	Low	High	Low	High	Low	High
10 Year Term	\$800	\$1,600	\$2,000	\$3,100	\$5,300	\$8,300	\$17,600	\$22,700
20 Year Term	\$1,400	\$2,200	\$3,500	\$5,300	\$11,500	\$13,800	-	-
30 Year Term	\$2,300	\$4,600	\$6,800	\$7,400	-	-	-	-
Guaranteed Universal Life	\$7,100	\$11,600	\$11,500	\$14,300	\$20,500	\$28,700	\$39,400	\$53,300
Hybrid Variable Universal Life	\$8,900	\$13,300	\$14,500	\$22,200	\$24,400	\$37,200	\$44,700	\$67,600
Hybrid Universal Life	\$6,700	\$7,500	\$11,200	\$11,700	\$19,300	\$19,900	\$33,700	\$39,000
Whole Life	\$15,300	\$18,800	\$22,700	\$32,600	\$39,100	\$61,400	\$63,600	\$109,400
Current Assumption UL	\$6,700	\$12,000	\$11,100	\$19,700	\$19,300	\$33,000	\$36,000	\$57,800
Current Assumption UL (7-Pay)	\$29,200	\$50,600	\$43,100	\$65,700	\$67,400	\$87,300	\$101,400	\$119,500

FEMALE - PREFERRED NONSMOKER

Product	Age 45		Age 55		Age 65		Age 75	
	Low	High	Low	High	Low	High	Low	High
10 Year Term	\$700	\$1,400	\$1,400	\$2,400	\$3,200	\$5,200	\$11,300	\$16,700
20 Year Term	\$1,000	\$1,500	\$2,400	\$3,500	\$6,500	\$9,500	-	-
30 Year Term	\$1,800	\$2,300	\$4,500	\$6,500	-	-	-	-
Guaranteed Universal Life	\$5,600	\$9,100	\$9,700	\$13,000	\$16,500	\$23,100	\$30,300	\$42,900
Hybrid Variable Universal Life	\$7,400	\$10,800	\$11,400	\$17,800	\$20,700	\$34,400	\$38,900	\$55,000
Hybrid Universal Life	\$5,600	\$6,000	\$9,100	\$9,600	\$15,800	\$16,200	\$28,700	\$32,500
Whole Life	\$13,000	\$17,000	\$19,200	\$28,200	\$31,100	\$50,900	\$53,200	\$95,400
Current Assumption Universal Life	\$5,600	\$10,100	\$9,600	\$16,200	\$16,200	\$26,600	\$30,000	\$45,800
Current Assumption UL (7-Pay)	\$25,500	\$45,600	\$38,800	\$59,400	\$56,600	\$79,900	\$90,100	\$108,200

WHAT CAN IMPACT THE FUNDING LEVEL?

- A change in risk class from Preferred Nonsmoker to Standard Nonsmoker could increase required premiums by **23%**
- Adding a Waiver of Premium Rider could increase required premiums by **9%**
- Adding a LTC Rider could increase required premiums by **11%**
- Reducing the guarantee length to age 100 could decrease required premiums by **7%**

NOTES:

- Figures last updated July 2013. Figures presented are based on carrier averages. Percentage changes are based on guaranteed universal life policies.
- Any hypothetical investment performance data contained within this document are included for illustrative and informational purposes only, not as a representative of past or future results. Actual results will vary from those illustrated.



LIFE ASSURANCE 360™

LIFE INSURANCE PRODUCT OVERVIEW

	ADVANTAGES	DISADVANTAGES
WHOLE LIFE	Guaranteed premiums – cannot change	Expensive – highest premium for the death benefit
	Fully reserved with cash values available to policy owners	Inflexible design – difficult to change premium or death benefit
	Over 100+ years history. Whole life has consistently paid benefits	Actual dividends are unlikely to be as high as currently illustrated dividend crediting rates
		Dividends paid at insurance company's discretion and based upon fixed income returns only.

	ADVANTAGES	DISADVANTAGES
UNIVERSAL LIFE WITHOUT SECONDARY DEATH BENEFIT GUARANTEES	Lower projected premium	Client at risk for having to pay higher premium
	A great amount of premium flexibility	Company can change cost of insurance, credited rate and expense charges
	Adjustable death benefit	Very little is guaranteed - Almost everything is subject to company's discretion

	ADVANTAGES	DISADVANTAGES
UNIVERSAL LIFE WITH SECONDARY DEATH BENEFIT GUARANTEES	Lowest guaranteed premium	Very high expense loads lead to low cash values
	Guaranteed Premiums – cannot change	Analysts, academics and regulators are concerned that the inability to adjust charges may create financial pressure on the company.
	Premiums remain flexible. However, changes in premiums may adversely affect guarantees.	The "worst case" is also the "best case". No potential for better-than guaranteed results. Little or no ability to adapt policy to future changes.
		If not properly managed, guarantees can be lost, leading to expensive "catch-ups" or policy lapse.

	ADVANTAGES	DISADVANTAGES
VARIABLE UNIVERSAL LIFE WITHOUT DEATH BENEFIT GUARANTEES	All expenses are described in prospectus. The client controls investment	Client has a higher premium if targeted returns are not achieved as illustrated
	Historically higher rates of return can be used to reduce premium payments, increase benefits or provide flexibility	Volatility of returns affects policy performance.
	Additional safety of separate accounts give maximum protection from insurance company insolvency	Some clients are not sophisticated enough to understand or manage product
		Product may not be suitable for very conservative policyholders

	ADVANTAGES	DISADVANTAGES
VARIABLE UNIVERSAL LIFE WITH DEATH BENEFIT GUARANTEES	All advantages of Variable Universal Life	These products have charges for the guarantees. Younger clients with robustly funded VUL policies may prefer lower charges of VUL.
	All advantages of Universal Life with Secondary Death Benefit Guarantees.	Guaranteed premiums are higher than with Non-Variable Universal Life. The upside potential may not offset this for older age clients.
	Combines flexibility, low overall cost and potential for strong performance	Fewer insurance companies offer this product.



	CONTRACTUAL PROVISIONS	WHOLE LIFE (BASE)	WHOLE LIFE (BLEND)	UL	GUL	IUL	VUL	HYBRID VUL
SAFETY	Guaranteed Cash Value	Yes	Partial	Yes*	Yes*	Yes*	No	No
	Guaranteed Premium	Yes	No	No	Yes	Yes	No	Yes
	Guaranteed Death Benefit	Yes	Partial	Limited	Yes	Limited	No	Yes
	Separate account protection from carrier creditors	No	No	No	No	No	Yes	Yes
FLEXIBILITY	Increase, decrease or skip premiums	No	No	Yes	Yes**	Yes	Yes	Yes
	Increase or decrease death benefit	No	No	Yes	Yes**	Yes	Yes	Yes
	Alter coverage duration	No	No	Yes	Yes**	Yes	Yes	Yes
	Select, alter, and diversity cash value investments	No	No	No	No	No	Yes	Yes
EQUITY	Policy loans**	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Policy withdrawals**	No	No	Yes	Yes	Yes	Yes	Yes
	General account or separate account option	No	No	No	No	No	Yes	Yes

CERTAINTY The level of certainty in each product depends upon the design parameters used.

*GUARANTEED CASH VALUE TYPICALLY DECLINES TO ZERO OVER TIME. **WILL ADVERSELY IMPACT GUARANTEES.
 NOTE: WHILE THESE FEATURES ARE AVAILABLE, IMPLICATIONS OF USE SHOULD BE REVIEWED WITH YOUR INSURANCE ADVISOR PRIOR TO IMPLEMENTATION.