



INCOME REPLACEMENT EVALUATION

Protecting a Family's Standard of Living

Mr. & Mrs. Valued Client

Valued Advisor
11433 Olde Cabin Road
Third Floor
St. Louis, MO 63141
314-392-2841

Needs Analysis

Despite the amount of income a person earns, many families are highly leveraged and require all or most of those funds to maintain their current standard of living. When a family is dependent on one or both spouses' income(s), it is critical to ensure life insurance coverage is in place to potentially replace the required income stream.

Amount of life insurance needed: \$2,504,180.51

Lump sum needs at death

Final expenses:	\$15,000.00
Outstanding debts:	\$115,000.00
Mortgage:	\$480,000.00
College funding:	\$235,374.36
Total lump sum needs:	\$845,374.36

Income needs

Annual income to be provided:	\$250,000.00
Number of years to provide income:	20
Estimated inflation rate:	3.00%
After-tax net investment yield:	6.00%

Calculation & Results

Present value of income needs:	\$3,858,806.15
Lump sum needs:	\$845,374.36
	\$4,704,180.51
Less current investment capital:	\$700,000.00
Less existing life insurance:	\$1,500,000.00
Less present value of spouse's income:	\$0.00
Amount of life insurance needed	\$2,504,180.51

**VitalQuote Comparison
for VALUED CLIENT**

\$2,500,000 - Male, in Missouri, 45

Annual Guaranteed Premiums

	Nationwide YourLife Guar Level Term 20 (03-17)*	SavingsBank PremiumTerm 20 (02-17)*	Banner OPTerm 20 (02-17)	John Hancock Term 20 (02- 17)	Lincoln LifeElements 20 (01-17)	Principal National Life 20 (04-16)*	AG Select-A- Term 20 - (12- 16)	AXA BrightLife 20- 157*
1	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
2	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
3	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
4	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
5	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
Totals	\$15,625.00	\$15,708.90	\$15,708.90	\$15,850.00	\$15,862.50	\$16,062.50	\$16,070.00	\$16,125.00
6	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
7	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
8	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
9	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
10	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
Totals	\$31,250.00	\$31,417.80	\$31,417.80	\$31,700.00	\$31,725.00	\$32,125.00	\$32,140.00	\$32,250.00
11	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
12	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
13	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
14	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
15	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
Totals	\$46,875.00	\$47,126.70	\$47,126.70	\$47,550.00	\$47,587.50	\$48,187.50	\$48,210.00	\$48,375.00
16	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
17	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
18	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
19	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
20	\$3,125.00	\$3,141.78	\$3,141.78	\$3,170.00	\$3,172.50	\$3,212.50	\$3,214.00	\$3,225.00
Totals	\$62,500.00	\$62,835.60	\$62,835.60	\$63,400.00	\$63,450.00	\$64,250.00	\$64,280.00	\$64,500.00
UW Class	Pref NT	Pref Non-Nic	Pfd NT	Pfd NonSmkr	Pfd NT	Pref NT	Pref. NT	Pfd NonTob
Calc Age	45	45	45	45	45	45	45	45
Years Level	20	20	20	20	20	20	20	20
Years Guar	20	20	20	20	20	20	20	20
1st Year Modal Premiums								
Semi	\$1,625.00	\$1,602.31	\$1,602.31	\$1,616.75	\$1,633.84	\$1,646.41	\$1,671.28	\$1,642.35
Quarterly	\$828.13	\$816.86	\$816.86	\$824.25	\$831.20	\$843.28	\$851.71	\$830.98
Bank Draft	\$278.13	\$273.33	\$274.91	\$270.28	\$277.59	\$281.09	\$278.01	\$278.33
Life Insurance Company Information								
Assets	\$10,757,627	\$2,919,104	\$2,213,711	\$227,843,141	\$213,891,333	\$185,055	\$166,711,283	\$164,667,582
Liabilities	\$10,022,580	\$2,695,146	\$1,876,488	\$222,399,348	\$206,774,211	\$81,387	\$157,817,437	\$159,245,019
AM Best	A+(2)	A(3)	A+(2)	A+(2)	A+(2)	A+(2)	A(3)	A+(2)
S and P	A+(5)	A-(7)	AA-(4)	AA-(4)	AA-(4)	A+(5)	A+(5)	AA-(4)
Moodv's	A1(5)	-	-	A1(5)	A1(5)	A1(5)	A2(6)	Aa3(4)
Fitch	-	-	AA-(4)	AA-(4)	A+(5)	AA-(4)	A+(5)	AA-(4)
Comdex	89	75	94	92	90	90	81	94

Financial and Ratings indicators are only one aspect of a company's financial strength. Dollar amounts are in thousands. The number in parentheses indicates the numeric ranking of rating services. See Company Ratings Information Section of Quote Comparison Disclaimer for further explanation of ratings. Assets and Liability information is current as of 12/31/2015. Ratings are current as of 4/17/2017.

This Life Insurance summary is a supplemental Life Insurance illustration that may contain both guaranteed and non-guaranteed values that are subject to change. This summary is a compilation of the individual illustrations for each policy. This summary is not valid unless preceded or accompanied by the individual basic illustration from each company. Refer to each illustration, contract or prospectus (if applicable) to determine premium, specific features and other important information including whether certain values and features are guaranteed. Premiums in bold are current premiums that are guaranteed for the product's guarantee period. Italicized premiums are the maximum premiums charged after the guarantee period. All other values are not guaranteed. All values and information are believed to be accurate. However, accuracy cannot be assured. Refer to each carrier's basic illustration or rate card for exact quotations. An asterisk '*' indicates NAIC-compliant illustration software is available. Before submitting business with a company, you must be appointed with the company and a licensed agent in the state that you are soliciting business. Prepared on 5/1/2017 By VALUED ADVISOR.

What This Coverage Means for Your Family

With the addition of a 20 year level term insurance plan to your existing assets, your family should be able to replace an income of \$250,000 for 20 years.

In Other Words...

- At a time of emotional devastation, your family won't also be financially devastated.
- Your loved ones will be able to maintain a standard of living to which they are accustomed.
- Your intended financing of your children's college education will be provided.
- Your spouse is able to reach retirement, as originally anticipated.

The Benefits of Life Insurance

Income Tax Free – Life insurance death benefits are paid income tax free.*

Guaranteed Premium – If you buy a level term insurance product, nearly every carrier in the market guarantees the premium and benefit amount will not change during the stipulated period.

Guaranteed Renewable – The carrier cannot change or cancel your coverage, even when your health, lifestyle, hobbies or avocations dramatically change. If you purchase a level term plan and are beyond the guaranteed period, it is possible for your premium to change, but not the benefit.

Avoid Probate – Life insurance proceeds paid directly to a named beneficiary avoid probate costs, delays and will not become public record.

Never an Unpaid Claim – There is no record of any legitimate insurance claim that went unpaid in the history of the industry. Though it is still recommended that you choose a high quality provider, take comfort knowing that your beneficiaries will be paid.

**Always seek tax advice from competent tax counsel.*