LIFE INSURANCE PRODUCT OVERVIEW

	PRODUCT TYPE	ADVANTAGES	DISADVANTAGES
1	WHOLE LIFE *Without term riders*	• Guaranteed Premiums – cannot change • Fully reserved with cash values available to policy owners • Over 100+ years history. Whole life has consistently paid benefits	• Expensive – highest premium for the death benefit • Inflexible design – difficult to change premium or death benefit • Actual dividends are unlikely to be as high as currently illustrated dividend crediting rates • Dividends paid at insurance company's discretion
2	UNIVERSAL LIFE *Without secondary death benefit guarantees*	• Lower projected premium • A great amount of premium flexibility • Adjustable death benefit	• Client at risk for having to pay higher premium Company can change cost of insurance, credited rate and expense charges • Very little is guaranteed - Almost everything is subject to company's discretion
3	UNIVERSAL LIFE *With secondary death benefit guarantees*	• Low guaranteed premium • Premiums remain flexible. However, changes in premiums or timing of payment may adversely affect guarantees	• Very high expense loads lead to low cash values • Inability to adjust charges may create financial pressure on the company • 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
4	VARIABLE UNIVERSAL LIFE *Without secondary death benefit guarantees*	• All expenses are described in prospectus. • Client selects investments • Historically higher rates of return can be used to reduce premium payments, increase benefits or provide flexibility • Additional safety of separate accounts gives maximum protection from insurance company insolvency	• Client has a higher premium if targeted returns are not achieved as illustrated • Volatility of returns affects policy performance. Some clients are not sophisticated enough to understand or manage product • Product may not be suitable for very conservative policyholders
5	VARIABLE UNIVERSAL LIFE *With secondary death benefit guarantees*	• All advantages of #3 and #4 • Combines flexibility, low overall cost and potential for strong performance	• These products have charges for the guarantees • Younger clients with robustly funded VUL policies may prefer lower charges of VUL • Guaranteed premiums are usually higher than with Non-Variable Universal Life. The upside potential may not offset this for older age clients • Fewer insurance companies offer this product
6	INDEXED UNIVERSAL LIFE *Without secondary death benefit guarantees*	• All advantages of #2 • Somewhat higher cash value growth potential than Universal Life • If chosen indices experience a loss, cash value protected by a minimum floor (usually 0%)	• All disadvantages of #2 • Extremely complex product mechanics usually • accompanied by various administrative technicalities that may materially alter the product performance results • Limited historical information on carrier treatment of non-guaranteed performance elements related to the index in various economic environments • It is a product that gives the insurance company the most latitude to change key non-guaranteed elements to the detriment of policy holders