

ROP Term

ROP Term

15, 20 & 30

**Return of Premium
Term**

ROP Term

Stand alone policy - not a rider

- **No policy fees**
- **No modal factors**

Fully guaranteed level premium for 15, 20 & 30 years

Conversion to age 75

Guaranteed cash values

Reduced paid-up death benefit

Banded at \$100,000, 150,000, 250,000 & 500,000

ROP Term

Issue Ages

10yr	NA
15yr	20-65 Cl. I - IV 55 Cl. V&VI
20yr	20-60 Cl. I - IV 55 Cl. V&VI
30yr	20-50 Cl. I - IV 45 Cl. V&VI

ROP Term

Marketplace

Mortgage planning

College planning

Business situations

- **Buy-Sell agreements**

An alternative:

- **To the uncertainty of UL**
- **To the expense of whole life**
- **To “renting” term insurance**

ROP Term

30 Year Term Rate Comparison

Male, Best Preferred Class, \$250,000

30 Year Premium Returned-Guaranteed

		<u>ROP Term</u>	<u>LTG Ultra-C</u>	<u>LTG Ultra</u>
Age	25	\$10,500	Zero	Zero
Age	35	\$13,950	Zero	Zero
Age	45	\$28,725	Zero	Zero

ROP Term

30 Year Term Rate Comparison Female, Best Preferred Class, \$250,000 30 Year Premium Returned-Guaranteed

		<u>ROP Term</u>	<u>LTG Ultra-C</u>	<u>LTG Ultra</u>
Age	25	\$ 8,850	Zero	Zero
Age	35	\$11,400	Zero	Zero
Age	45	\$20,925	Zero	Zero

ROP Term

ROP Term Players

American General Life

Americo Financial Life & Annuity Insurance Co.

Chase Life Insurance (formerly Zurich Life, then One Life)

Fidelity & Guaranty Insurance Co.

Illinois Mutual

Life Investors Insurance Co. of America

United of Omaha Life Insurance Co.

ROP Term

Financial Strength

Company	A.M.Best	S & P	Moody's	Fitch	Weiss	Comdex
AGL	A++	AAA	Aa1	AA+	B+	98
Americo	A-	A-	Baa1		C	68
F & G	A	A-	A2 w-	A	C	75
Illinois Mutual	A-	Api			B	73
Life Investors	A+	AA	Aa3	AA+	B	94
United of Omaha	A	AA-	Aa3	AA-	B+	85
Chase Life	A	A+	A2		C+	81

Vital Signs 4/04

ROP Term

Gotcha's

Company /Scenario	AGL	Americo	F & G	Life Investors	United of Omaha	Chase
ROP as Rider	No	Yes	Yes	Yes	No	No
Policy Fee	No	Yes	Yes (n/c)	Yes	Yes	Yes
Modal Factors	No	Yes	Yes	Yes	Yes	Yes
Conversion Option	Earlier of insured's age 75 or any time during initial level term period	Any time during level premium period before age 65*	On or Before 10 th Policy anniversary	Earlier of Insured's Age 70 or End of Initial level Term period	Prior to age 70 (only Plan Available is 30 yr.)	During first 10 policy Years or to Age 65 if earlier
Terminal Illness Endorsement/ Rider	Yes	No	Yes	Yes	Yes	Yes

* On 30 year plan, 1st 10 yrs. (No commission on conversion)

Double Play

Buy Term & Invest The Difference

ROP Term

VS

**The
Competition**



Double Play - ROP vs the Competition

Buy Term & Invest The Difference

Example: Male age 45
 Death benefit \$500,000
 Preferred Plus
 30 year term

Premium:

ROP

\$1,680

First Penn

\$1,330

West Coast

\$1,330

Over 30 yrs. \$350 invested annually would need to earn **13.01%** before tax or **9.29%** after tax, assuming a 40% tax bracket, to generate \$50,400.

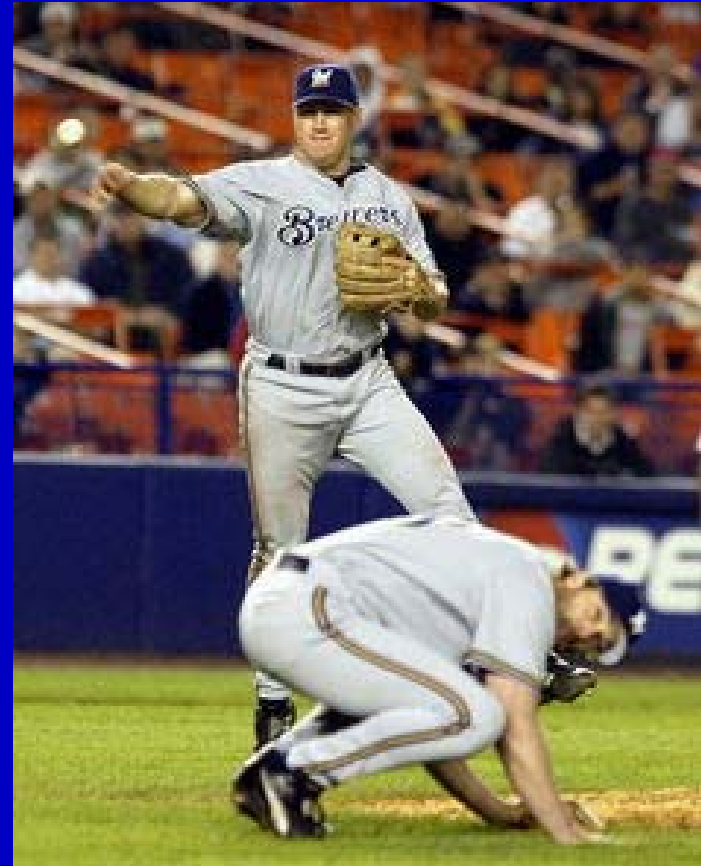
Triple Play

Buy Permanent & Invest The Difference

ROP Term

plus

ContinUL



Triple Play - ROP & ContinUL

Option 1 - Maximize amount and duration of coverage

ContinUL

Male 45 Preferred Plus \$250,000 death benefit

Guaranteed premium \$2,005 annually to age 100

Death benefit guaranteed to Age 110

Target premium \$2,090

Triple Play - ROP & ContinUL

Option 2 - Maximize amount and duration of coverage

Male 45 Preferred Plus

ContinUL \$250,000 guaranteed death benefit

Annual premium: yrs. 1-30, \$1,170/yr.; yr. 31, return of premium + \$665; \$2,005/yr, yrs. 32-55

Target premium \$2,090 (*Rolling Target*)

Plus

ROP Term 30 \$250,000 guaranteed death benefit

Annual premium \$880/yr, yrs. 1-30

Refund in year 30: \$26,400

Fully commissionable premium \$880

Triple Play - ROP & ContinUL

Cost Outlay Comparison

Option 1

ContinUL

Yrs. 1-55

Total annual cost \$2005

Total cost for Option1

\$110,292

Option 2

ContinUL

Yrs. 1-30 total annual cost \$1,170

Yrs. 31 total annual cost \$665

Yrs. 32-55 total annual cost \$2005

ROP Term 30

Yrs. 1-30 total annual cost \$880

Refund at end of year 30: \$26,400

Total cost for Option 2

\$110,292

Triple Play - ROP & ContinUL

Death Benefit Comparison

Option 1

ContinUL

Yrs. 1-55

**Total Guaranteed death benefit:
\$250,000**

Option 2

ContinUL

plus

ROP 30 Yr. Term

Yrs. 1-30

**Total Guaranteed death benefit:
\$500,000**

ContinUL

Yrs. 31-55

**Total Guaranteed death benefit:
\$250,000**

Triple Play - ROP & ContinUL

Commissionable Premium Comparison

Option 1

ContinUL

Target premium:

\$2,090

Planned premium:

\$2005 (\$85 rolls to yr 2)

Option 2

ContinUL

Target premium:

\$2,090

Planned premium:

\$1170 (\$920 rolls to yr. 2)

PLUS

ROP 30 yr. Term

Premium

\$880

Triple Play - ROP & ContinUL

Comparison Summary

<u>Option 1</u>	VS	<u>Option 2</u>
Total cost: \$110,292		Total cost: \$110,292 Same as Option 1
Total death benefit: yrs. 1-55 \$250,000*		Total death benefit: yrs. 1-30 \$500,000 100% MORE than Option 1 yrs. 31-55 \$250,000 SAME as Option 1
Total commissionable premium: \$2,090		Total commissionable premium \$2,090 PLUS \$880 <u>\$2,970</u> <u>42% MORE than Option 1</u>