

The case for investing in life insurance

THE EQUITY MYTH

There is a great deal of misinformation about permanent life insurance. One common claim, that there is no cash equity in a life policy within the first three years, could not be further from the truth. There are different policies for different applications. Here is an example of a permanent policy from a well-respected midwestern mutual life insurance company with an initial death benefit of \$100,000.

**\$100,000 Life Insurance
Death Benefit**

Male Preferred Non-Smoker

**Participating Dividend
Cash Value Life Insurance**

**2001 Commissioners Standard
Ordinary Life Tables**

| Age | Premium, Annual | First Year Guaranteed Cash Value | Cash Value as Percentage of Premium | First Year Dividend* | First Year Dividend % of Premium | First Year Cash % of Premium |
|-----|-----------------|----------------------------------|-------------------------------------|----------------------|----------------------------------|------------------------------|
| 35 | \$3,166 | \$1,250 | 39% | \$1,094 | 34% | \$2,344 74% |
| 45 | \$4,552 | \$1,805 | 40% | \$1,579 | 35% | \$3,384 74% |
| 55 | \$6,454 | \$2,566 | 40% | \$2,245 | 35% | \$4,811 75% |

*Dividends are not guaranteed and may be higher or lower than current projections. Actual results will vary. Product may not be available in all states. Check with a duly licensed qualified agent.