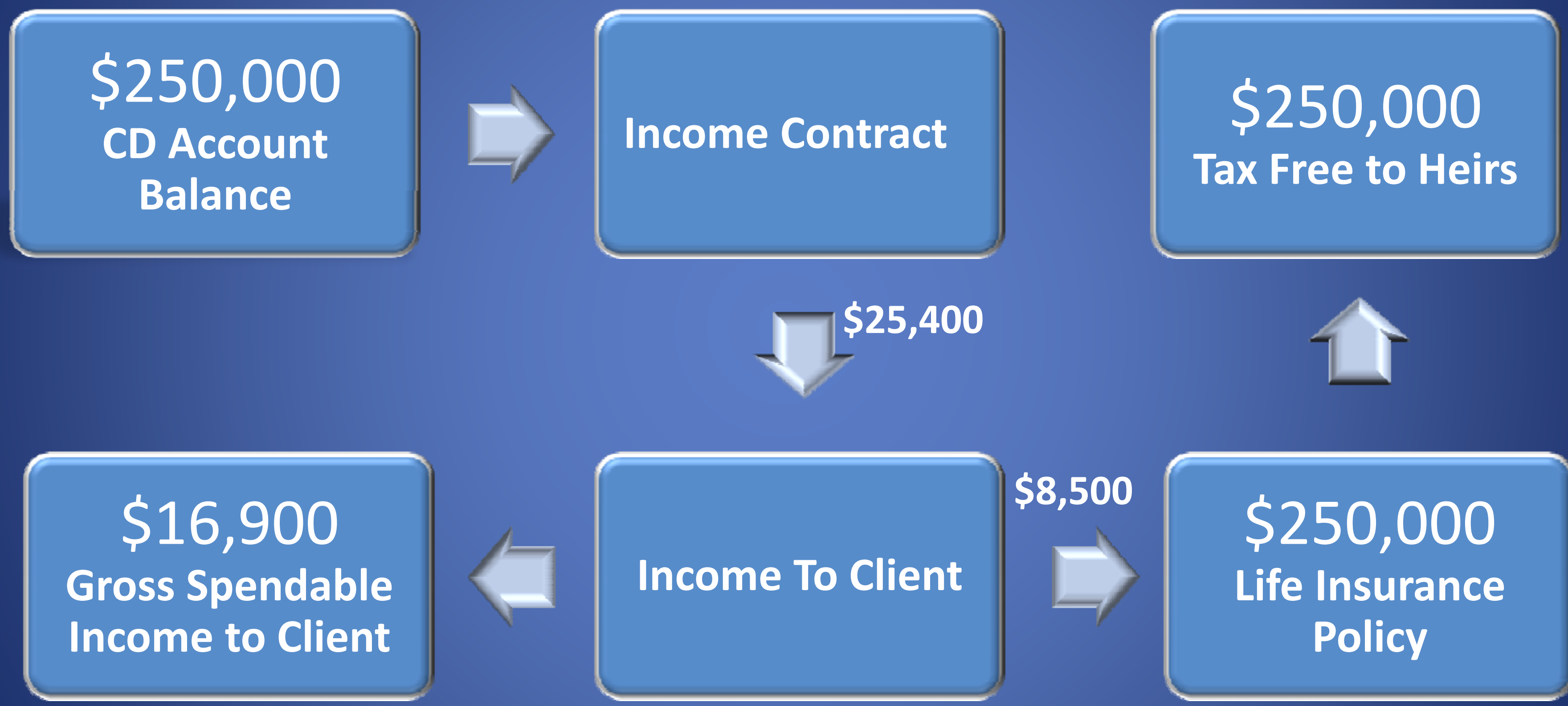
CD Alternative

Assumptions:
70 Year Old Male
Income Tax Rate: 25%
CD Interest Rate: 2%

Combined Asset Balance	**$250,000**
Assumed Gross Income From Account Balance	$5,000
Tax Due	$1,250
Spendable Income	$3,750

Client Goals

- Increase Income
- Minimize Risk
- Maximize Inheritance For Heirs


$250,000
CD Account Balance
Income Contract
$250,000
Tax Free to Heirs
$25,400
$16,900
Gross Spendable Income to Client
Income To Client
$8,500
$250,000
Life Insurance Policy

The Results

	BEFORE	AFTER
Assumed Gross Income	$5,000	$25,400
Tax Due	$1,250	$1,905
Insurance Premium	$0	$8,500
Spendable Income	$3,750	$14,995
Tax Advantage Inheritance to Heirs?	$0	**YES**
Size of Inheritance	$250,000	$250,000

Assumptions: 70 Year Old Male, Income Tax Rate: 25%

The "Before" CD Interest Rate: 2%, Tax Exclusion Ration: 70%