

Indexed Life - Savings & Retirement Plan, Summary & Illustration

For: Sample



Presented By:

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RWM - Independent Insurance Brokers

A Tax-Advantaged Savings and Retirement Plan

Presented By: Robert J Moody

Insured: Sample Z-A60male

Illustration of Values of Builder IUL7 - Guideline Premium Test

		Income Tax Rate 48.00%	Builder IUL7 - Interest Rate 7.00%	Initial Payment 5,000	Initial Death Benefit 122,000					
Year	Male Age	(1) Policy Premium	(2) Tax Free Spending Net Loan Proceeds	(3) Year End Accum Value*	(3a) Pre-Tax Equivalent Rate of Return of Accum Value*	(4) Year End Surrender Value*	(4a) Pre-Tax Equivalent Rate of Return of Surrender Value*	(5) Death Benefit	(5a) Pre-Tax Equivalent Rate of Return of Death Benefit	
1	60	5,000	0	3,783	-24.34	0	n/a	122,000	4500.00	
2	61	5,000	0	7,668	-16.45	2,106	-68.07	122,000	666.32	
3	62	5,000	0	11,593	-12.34	6,203	-38.06	122,000	288.66	
4	63	5,000	0	15,615	-9.66	10,397	-24.52	122,000	168.54	
5	64	5,000	0	19,818	-7.65	14,772	-17.05	122,000	112.52	
6	65	5,000	0	24,226	-6.08	19,410	-12.33	122,000	80.93	
7	66	5,000	0	28,876	-4.81	24,289	-9.15	122,000	60.97	
8	67	5,000	0	33,765	-3.78	29,408	-6.88	122,000	47.38	
9	68	5,000	0	39,049	-2.85	34,977	-5.09	122,000	37.61	
10	69	5,000	0	44,719	-2.04	40,992	-3.65	122,000	30.32	
11	70	5,000	0	52,331	-0.83	49,120	-1.90	122,000	24.69	
12	71	5,000	0	60,607	0.30	58,027	-0.52	122,000	20.25	
13	72	5,000	0	69,604	1.87	67,654	1.10	122,000	16.67	
14	73	5,000	0	79,325	3.18	78,063	2.77	122,000	13.73	
15	74	0	0	84,416	4.20	83,843	4.05	122,000	12.25	
16	75	0	0	89,982	5.04	89,982	5.04	122,000	11.04	
17	76	0	0	96,070	5.75	96,070	5.75	122,000	10.04	
18	77	0	0	102,733	6.37	102,733	6.37	122,000	9.21	
19	78	0	0	110,018	6.92	110,018	6.92	122,000	8.50	
20	79	0	11,139	117,481	8.69	106,008	7.36	111,882	8.06	
21	80	0	11,139	125,131	10.01	101,840	7.72	108,097	8.38	
22	81	0	11,139	132,778	11.01	97,316	8.01	103,955	8.64	
23	82	0	11,139	140,402	11.79	92,403	8.24	99,423	8.84	
24	83	0	11,139	147,978	12.39	87,065	8.43	94,464	9.00	
25	84	0	11,139	155,486	12.86	81,273	8.58	89,047	9.12	
26	85	0	11,139	162,882	13.23	74,969	8.69	83,113	9.22	
27	86	0	11,139	170,121	13.52	68,098	8.78	76,604	9.29	
28	87	0	11,139	177,166	13.75	60,609	8.84	69,467	9.33	
29	88	0	11,139	183,968	13.92	52,441	8.88	61,639	9.36	
30	89	0	0	190,985	13.76	55,512	8.91	65,062	9.38	
		70,000	111,390							

30 Year Summary

Cum. Payments	70,000
Cum. Policy Loan Proceeds	111,390
Surrender Value	55,512
Death Benefit	65,062

*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a proposal from North American Company.

This is an illustration, not a contract.

A Tax-Advantaged Savings and Retirement Plan

Presented By: Robert J Moody

Insured: Sample Z-A60male

Illustration of Values of Builder IUL7 - Guideline Premium Test

		Income Tax Rate 48.00%	Builder IUL7 - Interest Rate 7.00%	Initial Payment 5,000	Initial Death Benefit 122,000				
Year	Male Age	(1) Policy Premium	(2) Tax Free Spending Net Loan Proceeds	(3) Year End Accum Value*	(3a) Pre-Tax Equivalent Rate of Return of Accum Value*	(4) Year End Surrender Value*	(4a) Pre-Tax Equivalent Rate of Return of Surrender Value*	(5) Death Benefit	(5a) Pre-Tax Equivalent Rate of Return of Death Benefit
31	90	0	0	198,232	13.60	58,695	8.94	68,607	9.39
32	91	0	0	205,909	13.46	62,185	8.97	70,422	9.33
33	92	0	0	214,087	13.33	66,052	9.01	72,474	9.28
34	93	0	0	222,861	13.21	70,385	9.06	74,842	9.23
35	94	0	0	232,353	13.10	75,303	9.12	77,627	9.20
36	95	0	0	242,723	13.01	80,962	9.19	80,962	9.19
37	96	0	0	253,667	12.92	87,053	9.26	87,053	9.26
38	97	0	0	265,222	12.84	93,609	9.33	93,609	9.33
39	98	0	0	277,428	12.76	100,667	9.40	100,667	9.40
40	99	0	0	290,328	12.69	108,264	9.47	108,264	9.47

70,000 111,390

40 Year Summary

Cum. Payments	70,000
Cum. Policy Loan Proceeds	111,390
Surrender Value	108,264
Death Benefit	108,264

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A Tax-Advantaged Savings and Retirement Plan

Presented By: Robert J Moody

Insured: Sample Z-A60male

Preface

In the accompanying presentation, you will see the financial data from an illustration of a cash value life insurance policy.

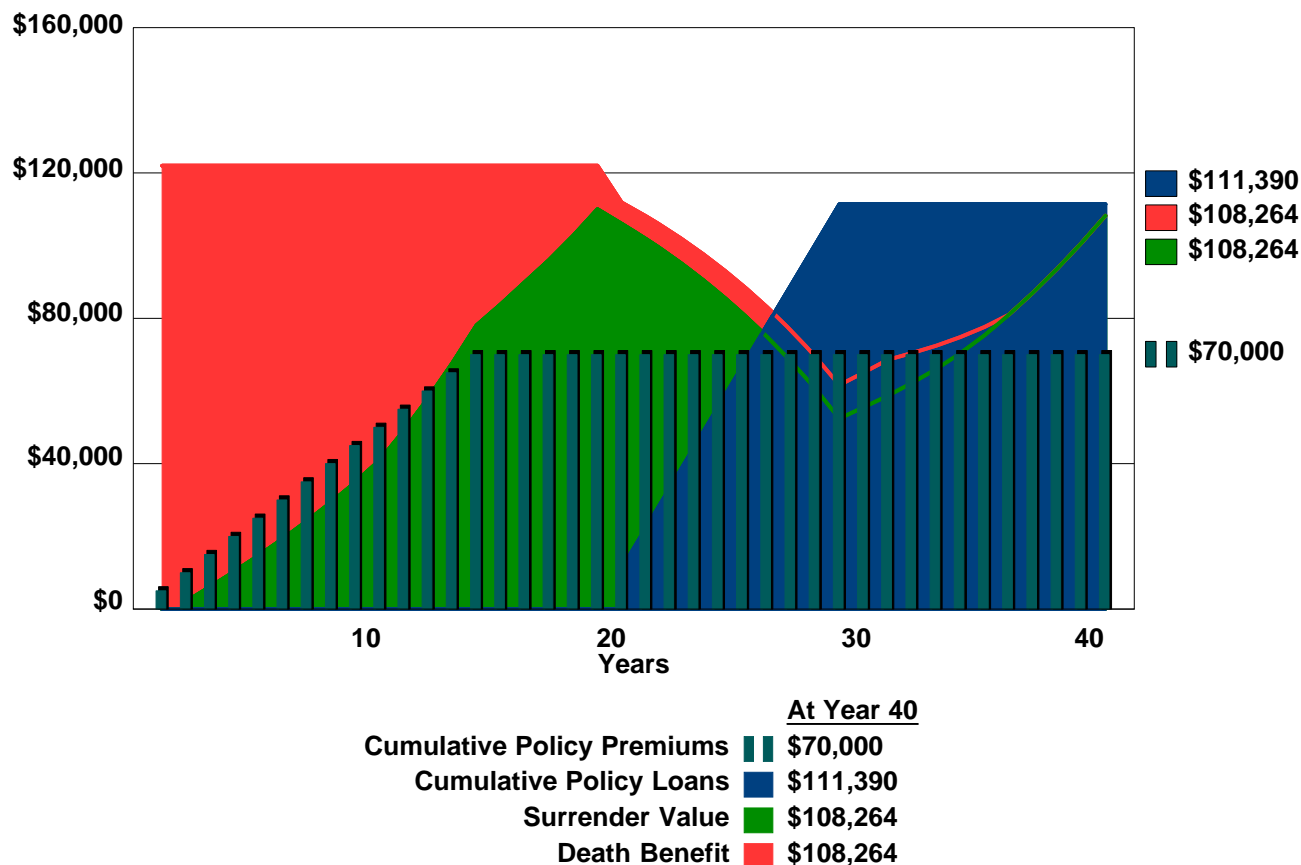
To help you make an informed decision about acquiring the policy, the illustration includes information about premiums, cash values and death benefits plus scheduled policy loan proceeds.

Cash value life insurance contains the following features:

1. Accumulating cash values;
2. Income tax deferred growth of cash values;
3. Competitive current interest rate;
4. Income tax free access to cash values via policy loans;

5. Income tax free death benefits;
6. Probate free death benefits;
7. Privacy of all transactions;
8. Advance of death benefits in certain adverse health circumstances -- as defined in the policy contract.

Favorable income tax consequences combine with significant policy values and benefits to produce a life insurance solution that has a considerable amount of financial leverage.



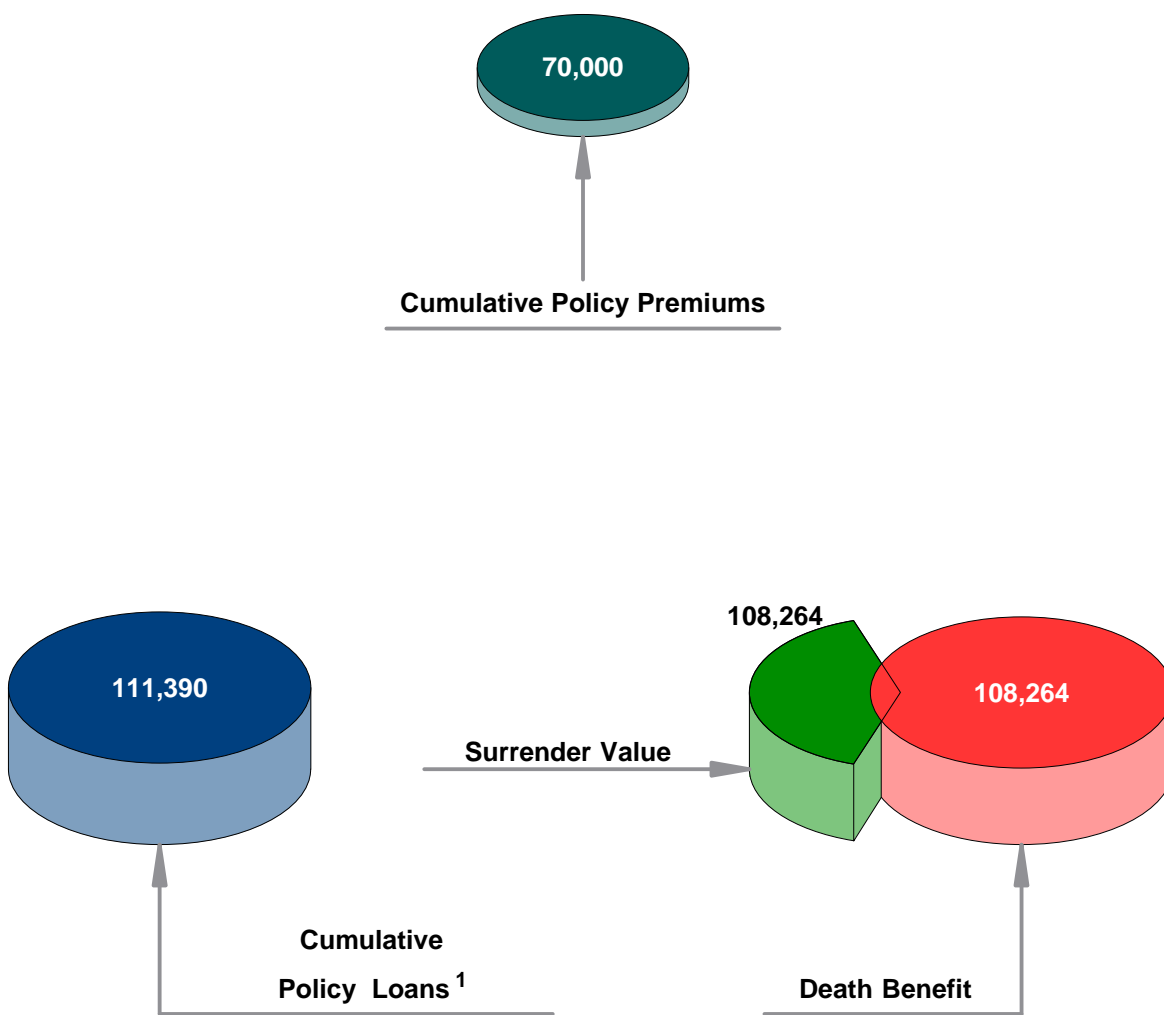
This graphic assumes the non-guaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable.

A Tax-Advantaged Savings and Retirement Plan

Presented By: Robert J Moody

Insured: Sample Z-A60male

A Look at Year 40



¹For Tax Free Spending .

A Tax-Advantaged Savings and Retirement Plan

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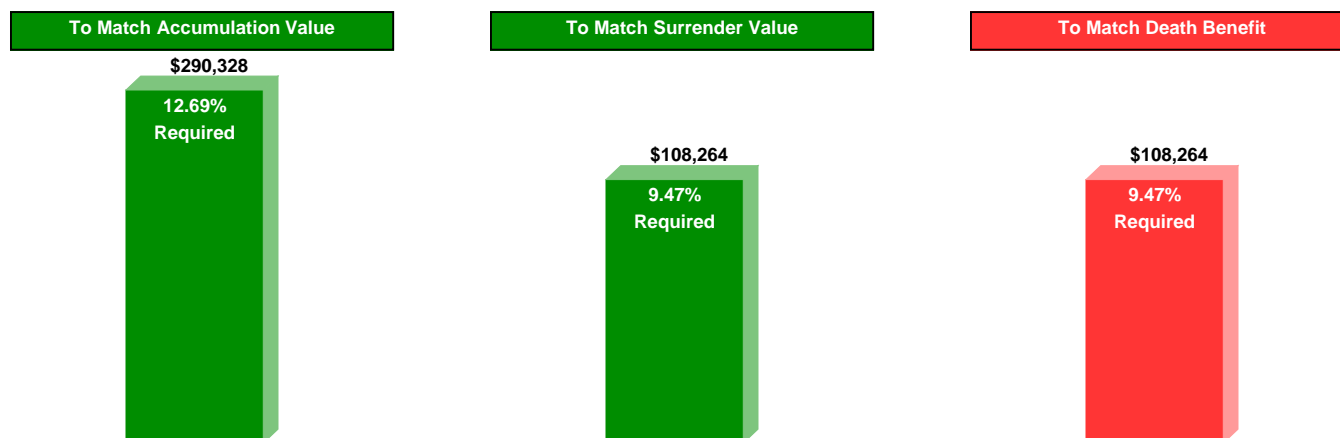
Insured: Sample Z-A60male

Matching Policy Values

Male	Income	Builder IUL7 -	Initial	Initial
Age	Tax Rate	Interest Rate	Payment	Death Benefit
60	48.00%	7.00%	5,000	122,000

Gross Interest Rate Required on a Hypothetical Taxable Investment to Match Builder IUL7 - Guideline Premium Test Policy Values over 40 Years.

	Hypothetical Taxable Alternative
To match Accumulation Value of: \$290,328	12.69%
To match Surrender Value of: \$108,264	9.47%
To match Death Benefit of: \$108,264	9.47%



Income Tax Considerations

1. Hypothetical Taxable Investment: Interest is taxed as earned.
2. Builder IUL7 - Guideline Premium Test:
 - a. Death Benefit including available cash value component is income tax free.
 - b. Loans are income tax free as long as the policy is kept in force.
 - c. Withdrawals and other non-loan policy cash flow up to cost basis (not in violation of IRC Section 7702) are income tax free as a return of premium.
 - d. Cash values shown assume most favorable combination of b and/or c.

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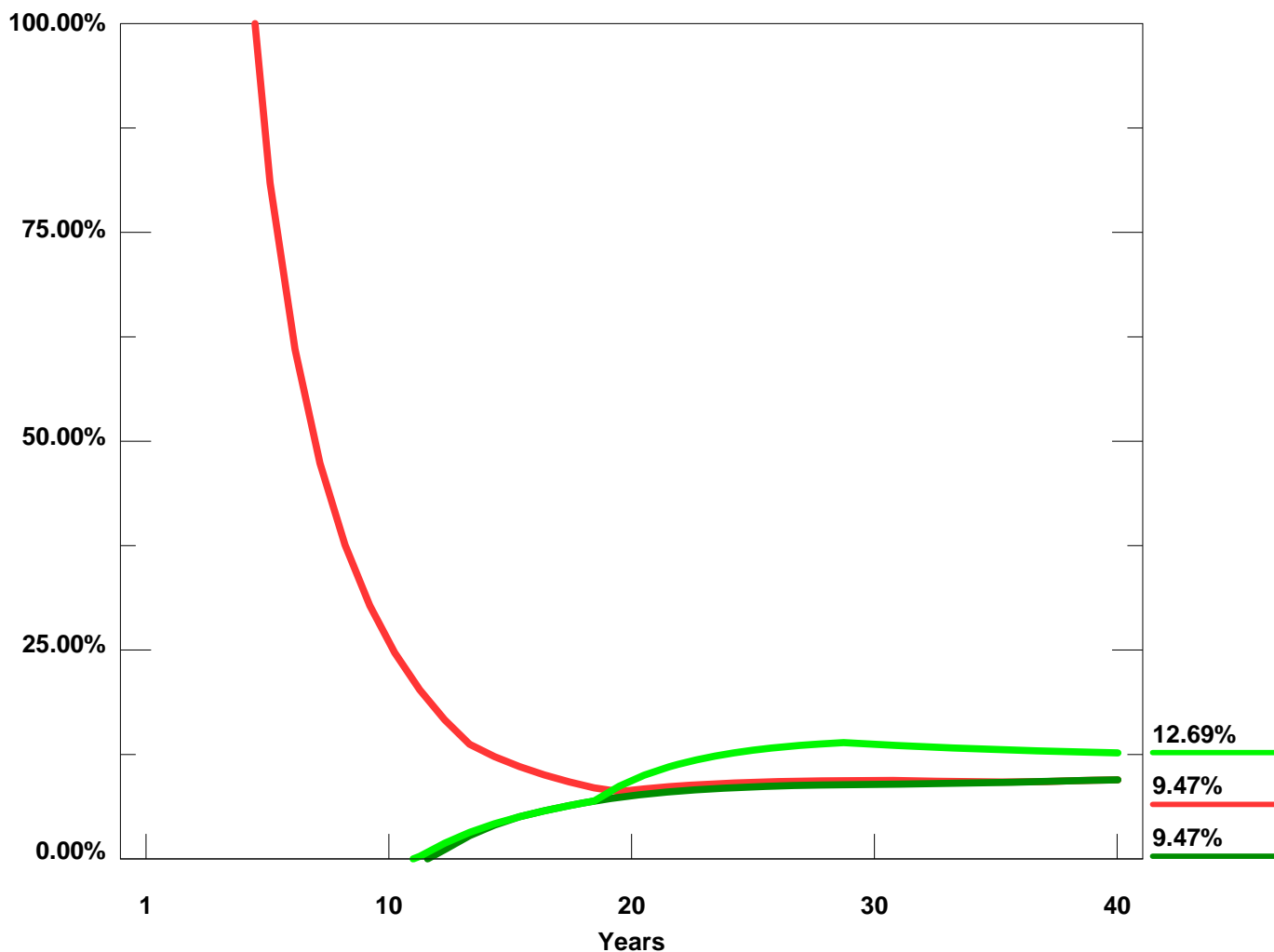
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A Tax-Advantaged Savings and Retirement Plan

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40 Year Analysis



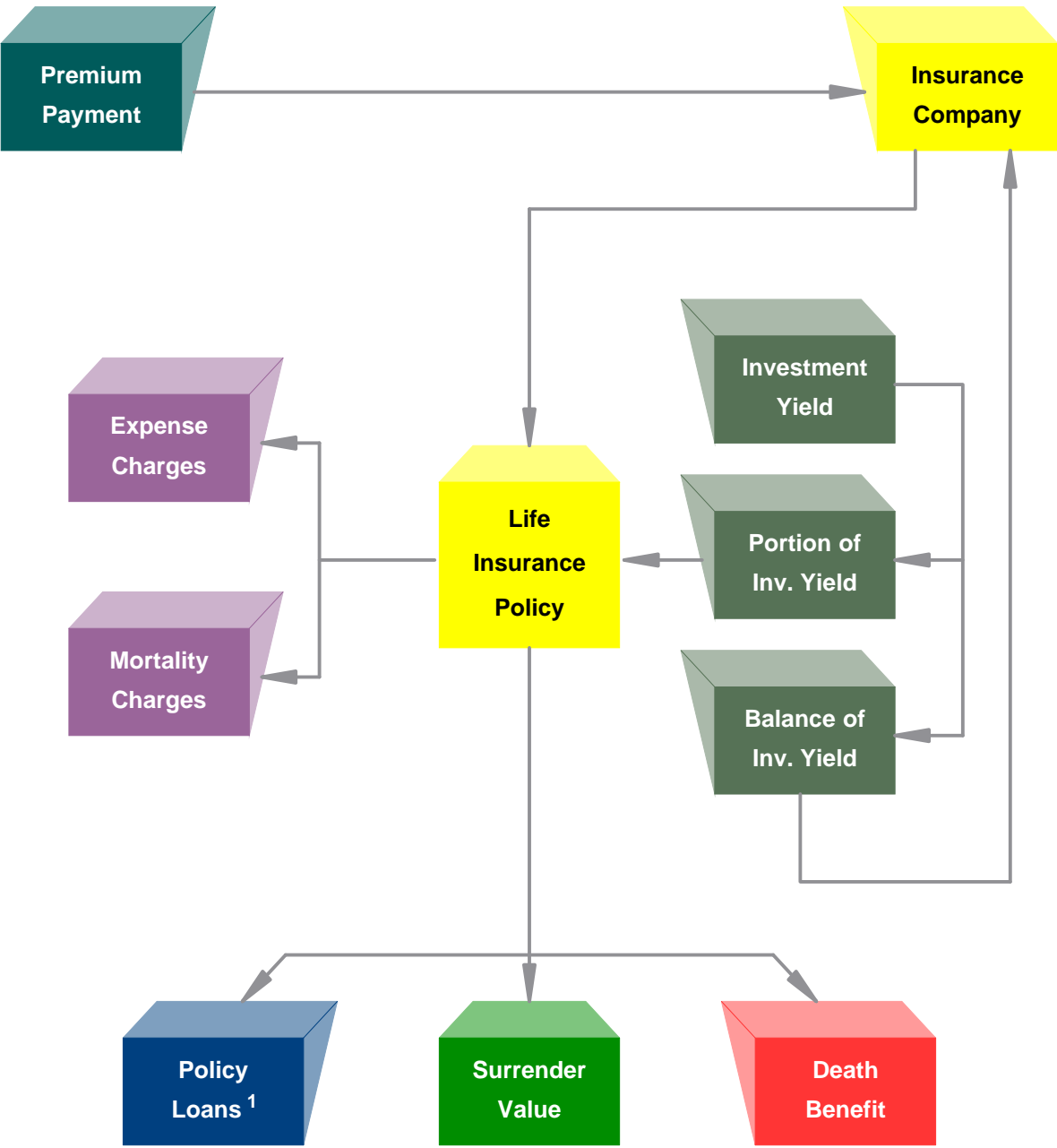
	<u>At Year 40</u>
Accum Value Pre-Tax Equivalent Rate of Return	12.69%
Surrender Value Pre-Tax Equivalent Rate of Return	9.47%
Death Benefit Pre-Tax Equivalent Rate of Return	9.47%

A Tax-Advantaged Savings and Retirement Plan

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Insured: Sample Z-A60male

Flow Chart



¹For Tax Free Spending .

Introduction to Life Plan

As the years pass and retirement edges closer, planning for desired levels of income may seem like an imposing task. But every day you wait only amplifies the problem.

One important way to plan effectively is to take full advantage of an employer-sponsored 401(k) plan or a personal IRA. However, these devices have government restricted contribution limits so relying on them solely may cause you to fall short of your retirement goals. Consequently, a large portion of your retirement income must come from personal savings.

Private savings can include stocks, bonds, mutual funds, annuities, and life insurance. And life insurance can be particularly valuable since it does the double duty of protecting your family while you are building your long-term savings.

Life Plan is a life insurance strategy that emphasizes death benefit and pre-retirement cash accumulation while also providing a source of retirement income. Following is a summary of the accompanying life insurance illustration prepared for Sample Z-A60male, age 60.

Pre-Retirement Accumulation (Based on Current Assumptions)

Initial Life Insurance Death Benefit	\$122,000
Annual Premium Illustrated	\$5,000
Number of Premium Payments Illustrated	14
Total Premiums Illustrated	\$70,000
Surrender Value* at Retirement	\$110,018
Life Insurance Death Benefit at Retirement	\$122,000

Retirement Distributions (Based on Current Assumptions)

Illustrated Retirement Age	79
Annual Policy Distribution	\$11,139
Number of Annual Policy Distributions	10
Total Policy Distributions	\$111,390
Surrender Value* at Age 100	\$108,264
Death Benefit at Age 100	\$108,264

Premium payments are subject to certain policy and IRS limitations and must be sufficient to keep your policy in force. Under current tax laws, policy values accumulate on a tax deferred basis. Policy loans and withdrawals decrease the death benefit and affect policy value accumulation. Withdrawals in excess of total premiums paid are taxable.

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Summary of Builder IUL7 - Guideline Premium Test Values

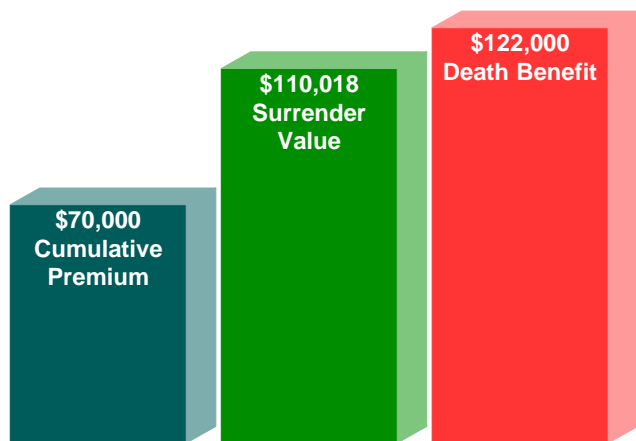
Illustrated Retirement Age	Builder IUL7 - Interest Rate	Initial Premium	Initial Death Benefit
79	7.00%	5,000	122,000

Tax Deferred Accumulation

Year	Male Age	(1) Annual Premium*	(2) Year End Accum Value**	(3) Year End Surrender Value**	(4) Year End Death Benefit
1	60	5,000	3,783	0	122,000
2	61	5,000	7,668	2,106	122,000
3	62	5,000	11,593	6,203	122,000
4	63	5,000	15,615	10,397	122,000
5	64	5,000	19,818	14,772	122,000
6	65	5,000	24,226	19,410	122,000
7	66	5,000	28,876	24,289	122,000
10	69	5,000	44,719	40,992	122,000
15	74	0	84,416	83,843	122,000
19	78	0	110,018	110,018	122,000
		70,000			

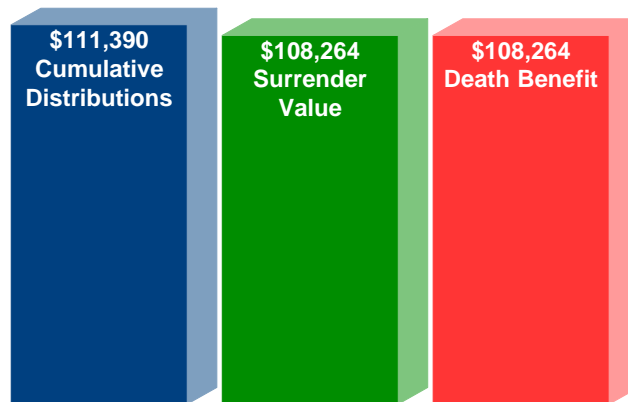
*Premiums are level for the first 14 pre-retirement years.

Summary of Pre-Retirement Years (Based on Current Assumptions)



Pay \$70,000 in premiums in pre-retirement years, and, by age 79, accumulate \$110,018 of surrender value** with \$122,000 of death benefit protection.

Summary of Retirement Years (Based on Current Assumptions)



Pay no more premiums, take cash distributions starting at age 79 of \$11,139 a year for 10 years, and maintain death benefit protection which, by age 100, is illustrated to be \$108,264 with \$108,264 of surrender value.**

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A Tax-Advantaged Savings and Retirement Plan

Presented By: Robert J Moody

Insured: Sample Z-A60maleMEC

Illustration of Values of Builder IUL7 - Guideline Premium Test

OPTION (see Premiums & Policy Values)
 Pay IRS *Maximum* Annual Premiums
 Builds Higher, Accessible Cash Values
 (Not Level Premium, No Loan Income)

		Income Tax Rate 48.00%	Builder IUL7 - Interest Rate 7.00%	Initial Payment 9,777	Initial Death Benefit 122,000	
Year	Male Age	(1) Policy Premium	(2) Increase In Accum Value*	(3) Year End Accum Value*	(4) Year End Surrender Value*	(5) Death Benefit
1	60	9,777	8,641	8,641	2,907	122,000
2	61	9,777	9,096	17,737	12,175	122,000
3	62	9,777	9,541	27,278	21,888	122,000
4	63	9,777	10,091	37,369	32,151	122,000
5	64	9,777	10,762	48,131	43,085	122,000
6	65	5,565	7,197	55,328	50,511	122,000
7	66	0	1,986	57,314	52,726	122,000
8	67	0	2,048	59,362	55,004	122,000
9	68	0	2,214	61,576	57,504	122,000
10	69	0	2,362	63,938	60,211	122,000
11	70	976	4,978	68,916	65,705	122,000
12	71	5,039	9,844	78,760	76,180	122,000
13	72	5,039	10,722	89,482	87,533	122,000
14	73	5,039	11,653	101,135	99,873	122,000
15	74	5,039	12,731	113,866	113,292	122,000
16	75	5,039	13,906	127,772	127,772	134,160
17	76	5,039	14,950	142,722	142,722	149,859
18	77	5,039	16,071	158,793	158,793	166,733
19	78	5,039	17,267	176,060	176,060	184,863
20	79	5,039	18,534	194,594	194,594	204,324
21	80	5,039	19,889	214,483	214,483	225,207
22	81	5,039	21,332	235,815	235,815	247,606
23	82	5,039	22,873	258,688	258,688	271,623
24	83	5,039	24,513	283,201	283,201	297,361
25	84	5,039	26,275	309,476	309,476	324,950
26	85	0	22,708	332,184	332,184	348,793
27	86	0	24,250	356,434	356,434	374,255
30	89	0	29,376	439,290	439,290	461,255
35	94	0	43,328	623,868	623,868	630,107
40	99	0	63,879	901,018	901,018	901,018
		125,972				



40 Year Summary

Cum. Payments	125,972
Surrender Value	901,018
Death Benefit	901,018

*This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a proposal from North American Company.

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Important Notes

This supplemental illustration is not a policy contract and must be accompanied by the basic illustration that includes guaranteed values and other important information. The illustrated values are not guaranteed. This illustration assumes that the currently illustrated, non-guaranteed elements used will not change for all years shown. This is not likely to occur and actual results may be more or less favorable than those shown. This supplemental illustration includes the same premium outlay and non-guaranteed elements used in the basic illustration.

Life Insurance agents do not give tax advice. Please consult with and rely on a qualified legal or tax advisor before entering into or paying additional premiums with respect to such arrangements.