

Your Company Name

Annuity Estate Maximizer

(current date)

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"Pay tax on your Pension income only once!"

Are you now receiving regular income above what you need to live?

Are you accumulating additional assets that you would like to pass on to your heirs - your children or grandchildren - or to a charity...but instead are simply creating additional tax liabilities?

Many people are unaware that:

- * The income tax they will have to pay over their lifetime on non-registered savings, may be equal to or more than the actual amount saved!
- * They do not have to give up control of assets earmarked for grandchildren to avoid paying taxes on the growth!

A life insurance policy that qualifies under section 148 of the Income Tax Act is an excellent planning tool that can be used to create a tax advantaged account. This account is totally accessible and under your control while you are alive, and is paid out to your designated beneficiary outside your estate at death. Thus, you can avoid paying income tax, probate and legal fees.

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The Annuity Estate Maximizer concept is designed for those who wish to invest a portion of their net after-tax Annuity, RRIF, or Pension income to ensure that a substantial tax-free sum becomes available to a beneficiary upon death.

The illustration emphasizes the difference in potential results from attempting to achieve a goal like this with a conventional Alternative Investment (AI) versus a combination tax favoured savings and insurance plan approach. Earnings that accrue to the policy are tax exempt (provided they stay in the exempt portion of the policy). In the Alternative Investment, annual interest is reduced by taxes, at the assumed marginal tax rate, prior to reinvestment.

Withdrawals from the policy may be subject to income tax, depending on the Adjusted Cost Basis (ACB) of the policy, at the time of withdrawal. However, the proceeds of a life insurance policy upon death of the insured are received tax free in the hands of the beneficiaries.

This is an illustration only and NOT a Contract. Rates of return and values contained within are projections only and are not guarantees or forecasts of future performance. It must be read in conjunction with a policy illustration from the Life Company.

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CONCEPT ASSUMPTIONS

Insureds

Insured: Just Retired,
Male Age 65 Non-Smoker

Prepared By:

Name: Agent / Broker

Product

Name: Universal Life
Policy Type: Single Life
Face Amount: \$125,000
Payment Method: Life Pay
Projected Annual Growth Rate: 6.000%

Alternative Investment

Growth Breakdown: 100% Interest
Effective Tax Rate On Interest: 45.00%
Projected Annual Growth Rate: 6.000%

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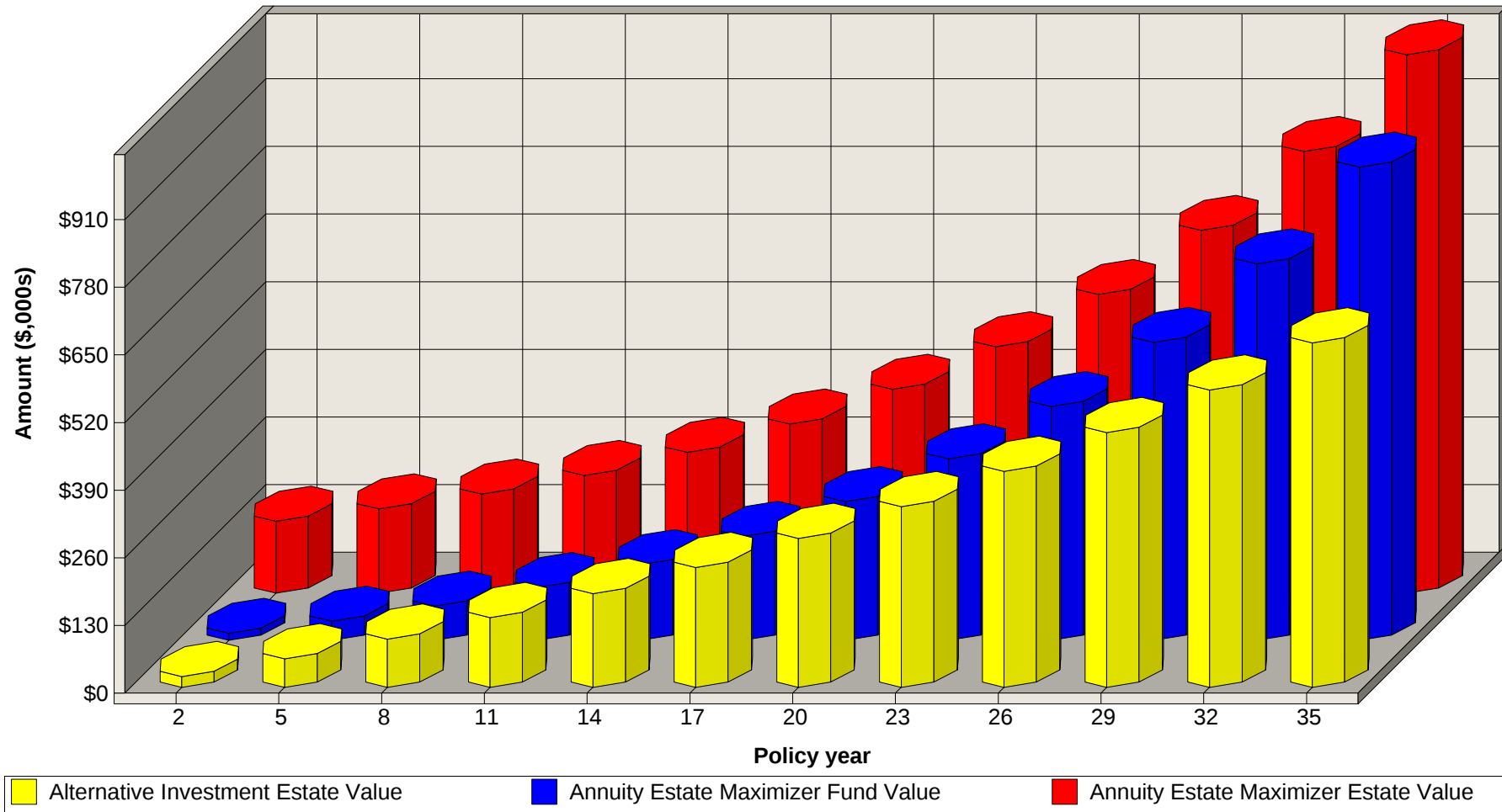
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Pol Yr	Age	Annual Deposit	Annual Growth	Alternative Investment		Life Insurance Policy		Estate Benefit Difference	
				Tax Due on Growth	After Tax Estate Benefit	Estate Benefit	Fund Value	Policy minus AI	Policy / AI %
1	66	10,000	600	270	10,330	131,538	6,538	121,208	1173%
2	67	10,000	1,220	549	21,001	138,469	13,469	117,468	559%
3	68	10,000	1,860	837	32,024	145,815	20,815	113,791	355%
4	69	10,000	2,521	1,135	43,411	153,602	28,602	110,191	254%
5	70	10,000	3,205	1,442	55,173	162,041	37,041	106,868	194%
6	71	10,000	3,910	1,760	67,324	171,030	46,030	103,706	154%
7	72	10,000	4,639	2,088	79,876	180,607	55,607	100,731	126%
8	73	10,000	5,393	2,427	92,842	190,809	65,809	97,967	106%
9	74	10,000	6,170	2,777	106,235	201,677	76,677	95,442	90%
10	75	10,000	6,974	3,138	120,071	213,694	88,694	93,623	78%
11	76	10,000	7,804	3,512	134,363	226,559	101,559	92,196	69%
12	77	10,000	8,662	3,898	149,127	240,333	115,333	91,206	61%
13	78	10,000	9,548	4,296	164,379	255,079	130,079	90,700	55%
14	79	10,000	10,463	4,708	180,133	270,866	145,866	90,733	50%
15	80	10,000	11,408	5,134	196,408	287,768	162,768	91,360	47%
16	81	10,000	12,384	5,573	213,219	305,863	180,863	92,644	43%
17	82	10,000	13,393	6,027	230,585	325,235	200,235	94,650	41%
18	83	10,000	14,435	6,496	248,525	345,975	220,975	97,450	39%
19	84	10,000	15,511	6,980	267,056	368,180	243,180	101,124	38%
20	85	10,000	16,623	7,481	286,199	391,952	266,952	105,753	37%
21	86	10,000	17,772	7,997	305,973	417,402	292,402	111,429	36%
22	87	10,000	18,958	8,531	326,400	444,649	319,649	118,249	36%
23	88	10,000	20,184	9,083	347,502	473,820	348,820	126,318	36%
24	89	10,000	21,450	9,653	369,299	505,050	380,050	135,751	37%
25	90	10,000	22,758	10,241	391,816	538,485	413,485	146,669	37%
26	91	10,000	24,109	10,849	415,076	574,281	449,281	159,205	38%
27	92	10,000	25,505	11,477	439,103	612,604	487,604	173,501	40%
28	93	10,000	26,946	12,126	463,924	653,632	528,632	189,708	41%
29	94	10,000	28,435	12,796	489,563	697,557	572,557	207,994	42%
30	95	10,000	29,974	13,488	516,049	744,583	619,583	228,534	44%
31	96	10,000	31,563	14,203	543,409	794,930	669,930	251,521	46%
32	97	10,000	33,205	14,942	571,671	848,830	723,830	277,159	48%
33	98	10,000	34,900	15,705	600,866	906,536	781,536	305,670	51%
34	99	10,000	36,652	16,493	631,025	968,316	843,316	337,291	53%
35	100	10,000	38,461	17,308	662,179	1,034,458	909,458	372,279	56%

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Proposal For: Just Retired Prepared By: Agent / Broker

Annuity Estate Maximizer



Male 65 NS. PRODUCT: Universal Life. FACE AMOUNT: \$125,000. TAX RATE: 45.00%
ANNUAL DEPOSIT: 10,000 AI RATE SPREAD: 0.00%.
NOTE: F.V. shown as portion of D.B. Must accompany a policy illustration. E.&O.E.