



Let's see what Kate's options are down the road

Instead of a simple term policy, Kate's advisor recommends a mix of 30-year term and Genesis with YRT cost in order to maximize her options down the road.

- Kate is a non-smoker
- Face amount of \$500,000 term and \$200,000 YRT (face-amount only)
- Kate's budget allows for a monthly premium of \$125

This flexible solution offers many more advantages in the long term than term coverage alone and provides an excellent safety net.

Kate, age 35

As a mother of a young family, Kate is looking for coverage up to at least age 65.

Some of her friends have told her about their term policies, which she believes could be a good option for her.

Kate has medium-term insurance needs (mortgage, young children) but is unsure of her long-term needs.

Thanks to the YRT component, Kate ensures that there will be options available down the road. What's more, she's getting more for her money in the long term:

	At age 65	
	Term 30 only	YRT/Term 30 combination
Total premiums paid	\$23,263 (\$64.62/month)	\$43,978 (\$122.16/month)
Accumulation	\$0	\$27,043

Illustration rate: 3%

Thanks to the YRT component of her life insurance solution, Kate will always have a tax-efficient savings vehicle available to her in which she will be able to deposit any future cash inflows, such as inheritance.

Here are the options Kate could expect at age 65, which she wouldn't have had with term insurance alone:

Cash-out

- \$27,043 to fund retirement plans (taxes would apply)

Effectively free insurance

- Reduce her face amount from \$200,000 to \$64,000
- From age 66 to 90, premiums paid from the accumulation

Maintain coverage

- Continue paying the monthly premium for the YRT component
- Maintain the face amount of \$200,000

Illustration of Kate's case

Female / Non-smoker / Age 35

Assumes 3% average returns and a monthly premium of **\$122.16** until age 90 (Face amount only coverage option)

Age	Total annual premium	Face amount	Acc fund (year end)	Death benefit
36	\$1,465.92	\$699,347	\$652	\$700,000
40	\$1,465.92	\$696,533	\$3,466	\$700,000
45	\$1,465.92	\$692,542	\$7,457	\$700,000
50	\$1,465.92	\$687,982	\$12,017	\$700,000
55	\$1,465.92	\$682,941	\$17,058	\$700,000
60	\$1,465.92	\$677,843	\$22,156	\$700,000
65	\$1,465.92	\$672,956	\$27,043	\$700,000

30 year term insurance ends

Age	Total annual premium	Face amount	Acc fund (year end)	Death benefit
66	\$1,105.92	\$171,921	\$28,078	\$200,000
67	\$1,105.92	\$170,933	\$29,066	\$200,000
68	\$1,105.92	\$169,996	\$30,003	\$200,000
69	\$1,105.92	\$169,118	\$30,881	\$200,000
70	\$1,105.92	\$168,304	\$31,695	\$200,000
71	\$1,105.92	\$167,561	\$32,438	\$200,000
72	\$1,105.92	\$166,894	\$33,105	\$200,000
73	\$1,105.92	\$166,309	\$33,690	\$200,000
74	\$1,105.92	\$165,813	\$34,186	\$200,000
75	\$1,105.92	\$165,412	\$34,587	\$200,000
76	\$1,105.92	\$165,111	\$34,888	\$200,000
77	\$1,105.92	\$164,919	\$35,080	\$200,000
78	\$1,105.92	\$164,841	\$35,158	\$200,000
79	\$1,105.92	\$164,887	\$35,112	\$200,000
80	\$1,105.92	\$165,063	\$34,936	\$200,000
81	\$1,105.92	\$165,587	\$34,412	\$200,000
82	\$1,105.92	\$166,680	\$33,319	\$200,000
83	\$1,105.92	\$168,456	\$31,543	\$200,000
84	\$1,105.92	\$171,142	\$28,857	\$200,000
85	\$1,105.92	\$174,993	\$25,006	\$200,000
86	\$1,105.92	\$179,129	\$20,870	\$200,000
87	\$1,105.92	\$183,569	\$16,430	\$200,000
88	\$1,105.92	\$188,335	\$11,664	\$200,000
89	\$1,105.92	\$193,453	\$6,546	\$200,000
90	\$1,105.92	\$198,947	\$1,052	\$200,000
91	\$0	\$198,908	\$1,091	\$200,000
92	\$0	\$198,867	\$1,132	\$200,000
93	\$0	\$198,824	\$1,175	\$200,000
94	\$0	\$198,780	\$1,219	\$200,000
95	\$0	\$198,734	\$1,265	\$200,000
96	\$0	\$198,687	\$1,312	\$200,000
97	\$0	\$198,637	\$1,362	\$200,000
98	\$0	\$198,586	\$1,413	\$200,000
99	\$0	\$198,533	\$1,466	\$200,000
100	\$0	\$198,478	\$1,521	\$200,000

Cash-out option

\$27,043 to fund retirement projects (taxes would apply)

Maintain coverage option

Continue paying the YRT premium of \$79.66/month plus an additional annual deposit of \$150

Effectively free insurance option

\$0 premium with a \$64,000 death benefit

Total annual premium	Face amount	Acc fund (year end)	Death benefit
\$0	\$36,511	\$27,488	\$64,000
\$0	\$36,092	\$27,907	\$64,000
\$0	\$35,703	\$28,296	\$64,000
\$0	\$35,347	\$28,652	\$64,000
\$0	\$35,027	\$28,972	\$64,000
\$0	\$34,746	\$29,253	\$64,000
\$0	\$34,507	\$29,492	\$64,000
\$0	\$34,315	\$29,684	\$64,000
\$0	\$34,174	\$29,825	\$64,000
\$0	\$34,086	\$29,913	\$64,000
\$0	\$34,058	\$29,941	\$64,000
\$0	\$34,094	\$29,905	\$64,000
\$0	\$34,201	\$29,798	\$64,000
\$0	\$34,384	\$29,615	\$64,000
\$0	\$34,651	\$29,348	\$64,000
\$0	\$35,126	\$28,873	\$64,000
\$0	\$35,943	\$28,056	\$64,000
\$0	\$37,191	\$26,808	\$64,000
\$0	\$39,038	\$24,961	\$64,000
\$0	\$41,708	\$22,291	\$64,000
\$0	\$44,729	\$19,270	\$64,000
\$0	\$48,150	\$15,849	\$64,000
\$0	\$52,022	\$11,977	\$64,000
\$0	\$56,406	\$7,593	\$64,000
\$0	\$61,369	\$2,630	\$64,000
\$0	\$61,270	\$2,729	\$64,000
\$0	\$61,167	\$2,832	\$64,000
\$0	\$61,060	\$2,939	\$64,000
\$0	\$60,950	\$3,049	\$64,000
\$0	\$60,835	\$3,164	\$64,000
\$0	\$60,716	\$3,283	\$64,000
\$0	\$60,593	\$3,406	\$64,000
\$0	\$60,465	\$3,534	\$64,000
\$0	\$60,332	\$3,667	\$64,000
\$0	\$60,194	\$3,805	\$64,000