



Dollar for dollar, let's see how YRT stacks up against level-cost for Mike

Mike's advisor suggests Genesis Universal Life with two cost options – level cost and YRT cost

- Mike is a non-smoker
- Face amount of \$500,000 required (face-amount only)
- With 10 years to go before retirement, Mike is somewhat risk averse and is looking for stability and security in his assets.
- Both options illustrated with the level cost annual premium of \$7,940

While Mike's policy will remain in force with returns as low as 1.57%, the **Smoothed Return Diversified Account (SRDA), currently offering a credited rate of 3.25% (rate determined annually)**, will allow him to earn an attractive return while keeping his assets sheltered from market fluctuations.

Mike, age 50

Mike is an architect who took out a 20-year term policy at age 30, after the birth of his children.

Now that this coverage has ended, he is looking for a long-term solution that will offer him estate protection, but he's also concerned about liquidity in retirement.

Age	Cash values (\$)		
	Level costs	YRT at 1.57%	YRT at 3.25%, invested in the SDRA
65	No cash value	\$97,755	\$113,754
85	No cash value	\$87,805	\$224,314

Mike's cash value will allow him to maintain a safety net for the future, not available with level cost, for whatever the future holds:

Disability benefit

- Access to a **tax-free payment** of the accumulation fund in case of a total disability:
 - Before age 65 if you are no longer able to work
 - At any age if you are unable to perform one basic activity of daily living (e.g., walking)

Retirement planning

- **The accumulation can be withdrawn** to fund retirement plans (could be taxable and an MVA may apply)
- **Insured retirement strategy:** use a leverage loan against the accumulation to benefit from advantageous lending rates
- **Secured assets:** The assets invested in the Smoothed Return Diversified Account are subject to minimal market risk, giving Mike peace of mind.

Estate protection

Mike's estate is guaranteed a death benefit of \$500,000 if he doesn't draw from his accumulation. If Mike needs to withdraw from his accumulation, the death benefit amount will be reduced by the same amount he withdrew.

Illustration of Mike's case

Male / Non-smoker / Age 50

Assumes an annual premium of **\$7,940** until age 90 (equivalent level premium). (Face amount only coverage option)

1.57% returns

Age	Total annual premium	Acc fund (year end)	Death benefit
51	\$7,940	\$6,363	\$500,000
55	\$7,940	\$32,449	\$500,000
60	\$7,940	\$65,856	\$500,000

Start of retirement

Age	Total annual premium	Acc fund (year end)	Death benefit
65	\$7,940	\$97,755	\$500,000
66	\$7,940	\$103,686	\$500,000
67	\$7,940	\$109,444	\$500,000
68	\$7,940	\$114,624	\$500,000
69	\$7,940	\$119,197	\$500,000
70	\$7,940	\$123,140	\$500,000
71	\$7,940	\$126,417	\$500,000
72	\$7,940	\$128,991	\$500,000
73	\$7,940	\$130,817	\$500,000
74	\$7,940	\$132,212	\$500,000
75	\$7,940	\$133,130	\$500,000
76	\$7,940	\$133,524	\$500,000
77	\$7,940	\$133,338	\$500,000
78	\$7,940	\$132,515	\$500,000
79	\$7,940	\$130,990	\$500,000
80	\$7,940	\$128,687	\$500,000
81	\$7,940	\$125,161	\$500,000
82	\$7,940	\$119,812	\$500,000
83	\$7,940	\$112,201	\$500,000
84	\$7,940	\$101,769	\$500,000
85	\$7,940	\$87,805	\$500,000
86	\$7,940	\$72,774	\$500,000
87	\$7,940	\$56,597	\$500,000
88	\$7,940	\$39,148	\$500,000
89	\$7,940	\$20,322	\$500,000
90	\$7,940	\$56	\$500,000
91	\$0	\$57	\$500,000
92	\$0	\$58	\$500,000
93	\$0	\$59	\$500,000
94	\$0	\$59	\$500,000
95	\$0	\$60	\$500,000
96	\$0	\$61	\$500,000
97	\$0	\$62	\$500,000
98	\$0	\$63	\$500,000
99	\$0	\$64	\$500,000
100	\$0	\$65	\$500,000

3.25% returns (invested in the SRDA)

Age	Total annual premium	Acc fund (year end)	Death benefit
51	\$7,940	\$6,480	\$500,000
55	\$7,940	\$34,196	\$500,000
60	\$7,940	\$72,672	\$500,000

Start of retirement

Age	Total annual premium	Acc fund (year end)	Death benefit
65	\$7,940	\$113,754	\$500,000
66	\$7,940	\$122,100	\$500,000
67	\$7,940	\$130,487	\$500,000
68	\$7,940	\$138,541	\$500,000
69	\$7,940	\$146,249	\$500,000
70	\$7,940	\$153,601	\$500,000
71	\$7,940	\$160,582	\$500,000
72	\$7,940	\$167,177	\$500,000
73	\$7,940	\$173,366	\$500,000
74	\$7,940	\$179,455	\$500,000
75	\$7,940	\$185,427	\$500,000
76	\$7,940	\$191,265	\$500,000
77	\$7,940	\$196,952	\$500,000
78	\$7,940	\$202,471	\$500,000
79	\$7,940	\$207,805	\$500,000
80	\$7,940	\$212,933	\$500,000
81	\$7,940	\$217,554	\$500,000
82	\$7,940	\$221,278	\$500,000
83	\$7,940	\$223,860	\$500,000
84	\$7,940	\$224,998	\$500,000
85	\$7,940	\$224,314	\$500,000
86	\$7,940	\$223,566	\$500,000
87	\$7,940	\$222,747	\$500,000
88	\$7,940	\$221,850	\$500,000
89	\$7,940	\$220,870	\$500,000
90	\$7,940	\$219,797	\$500,000
91	\$0	\$226,941	\$500,000
92	\$0	\$234,316	\$500,000
93	\$0	\$241,931	\$500,000
94	\$0	\$249,794	\$500,000
95	\$0	\$257,913	\$500,000
96	\$0	\$266,295	\$500,000
97	\$0	\$274,949	\$500,000
98	\$0	\$283,885	\$500,000
99	\$0	\$293,112	\$500,000
100	\$0	\$302,638	\$500,000