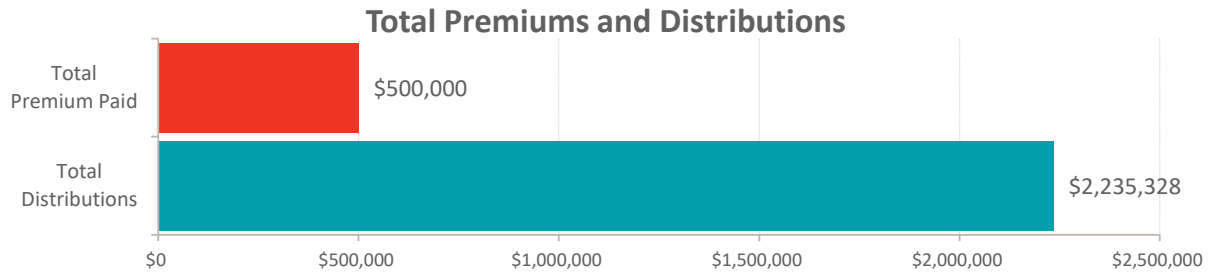


## Summary of Costs and Proceeds from Life Insurance

### Client Assumptions

Male  
 Age 40  
 Preferred Non-Smoker  
 Initial Death Benefit: \$1,620,599  
 Assumed Crediting Rate: 6.35%

Premiums			Distributions		
Initial Annual Premium	Scheduled Years to Pay	Total Premium Paid	Initial Annual Distributions	Scheduled Years of Distributions	Total Distributions
\$50,000	10	\$500,000	\$139,708	16 (Ages 66 to 81)	\$2,235,328



### Cash Value Build-up Analysis

Cash Value at age 65	Cash Value Internal Rate of Return	Taxable Equivalent Yield (Assuming an Annual 35.00% Tax Rate)
\$1,538,093	5.57%	8.57%

### Final Results

Death Benefits Received (if death occurs at age 81)	Total Distributions & Death Benefits Received	Internal Rate of Return (if death occurs at age 81)
\$296,317	\$2,531,645	5.86%

## Annual After-Tax Distribution Comparison

(Assumes 16 Years of Distributions)

Deferred Annuity	Taxable Investment	Life Insurance
Assumes 6.35% Annual Growth (Net of Fees of 0.00%) Withdrawals Taxed at 35.00%	Assumes 6.35% Annual Growth (Net of Fees of 0.00%) Growth Taxed at 25.00% Annually	Assumed Crediting Rate: 6.35% Withdrawals / Loans Income-Tax Free
\$118,560	\$113,381	\$139,708

Highland Capital Brokerage does not provide tax or legal advice. Individuals should consult their own tax and legal advisors prior to entering into such transactions. Fixed life insurance is not an investment; it does not participate directly in the equity or debt markets. It is primarily designed to provide a death benefit and the contract includes mortality and expense charges. Loans and withdrawals from an insurance policy may generate an income tax liability, reduce available cash value and reduce the death benefit or cause the policy to lapse. Tax rates on capital gains and dividends can affect the taxable investment's return and its underlying assumptions. Guarantees are subject to the claims paying ability of the insurance company. To ensure compliance with requirements imposed by the IRS under Circular 230, we inform you that any U.S. Federal tax advice contained in this communication, unless otherwise specifically stated, was not intended or written to be used, and cannot be used, for the purpose of (1) avoiding penalties under the Internal Revenue Code or (2) promoting, marketing or recommending to another party any matters addressed herein. This is a hypothetical illustration and does not represent an actual investment. There is no guarantee similar results can be achieved. If fees had been reflected, the return would have been less.

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