

Policy Review

Choosing ProClassic UL with CIADB Rider



CLIENT PROFILE:

- ✓ Tom, 62 years old
- ✓ Has a whole life policy with a \$300k death benefit and \$115k cash surrender value
- ✓ Concerned about potential long-term care costs

OBJECTIVE:

Tom is approaching retirement and wants to reduce expenses, including his \$400 monthly (**\$4800 annual**) insurance policy premium. He wants long-term care coverage, but would also like to keep life insurance coverage to help protect his wife.

THE OPTIONS:

	Protective ProClassic UL with Chronic Illness Accelerated Death Benefit (CIADB) Rider	Protective Centennial G II UL with ExtendCare Rider
First Year Premium	\$115,000 <i>(cash surrender value from current policy)</i>	\$115,000 <i>(cash surrender value from current policy)</i>
Annual Premium	\$1,200	\$1,200
Death Benefit	\$297,002	\$390,899
Cash Surrender Value at age 85	\$191,166	\$0
Pre-tax IRR on Death Benefit (at life expectancy)	5.76%	7.88%

ProClassic UL Assumptions: male age 62; non-tobacco; \$115k first-year premium; ending at age 100; CIADB Rider waiting period of 90 days and \$5,000 maximum monthly benefit

Centennial G II UL Assumptions: male age 62; non-tobacco; \$115k first-year premium; lifetime coverage; ExtendCare Rider elimination period of 90 days and \$5,000 maximum monthly benefit

THE SOLUTION:

By cashing out his current life insurance policy and using the cash surrender value as the first-year premium, Tom can purchase a UL policy from Protective Life that also gives him potential chronic illness protection through accelerated death benefit payments. Although the Centennial G II UL offers a larger death benefit, Tom chooses a ProClassic UL policy with CIADB rider because of the substantial cash surrender value available at age 85.

NEEDS MET:

- ✓ Tom is able to reduce expenses by lowering his annual life insurance premium **from \$4,800 to \$1,200**
- ✓ With monthly payments up to \$5,000, the **CIADB rider*** could help provide protection in the event of a chronic illness, allowing Tom to pay for care himself.
- ✓ In the event of Tom's death, his wife is covered by the policy's **\$297,002 death** benefit

*** The CIADB rider allows the insured to accelerate up to 90% of the death benefit to provide financial assistance if the insured qualifies for the benefit.**

The contents of this flyer are for illustration purposes only. Individual situations will be different based on age, sex, and health status of your clients. For current information, please use our ELI software.

Insurance products issued by Protective Life Insurance Company, Birmingham, AL. Centennial G II UL and ProClassic UL, policy form UL-15 and state variations thereof, are flexible premium universal life insurance products. Subject to underwriting and up to a 2-year contestable and suicide period. Benefits adjusted for misstatements of age or sex. Consult policy for benefits, riders, limitations and exclusions. In Montana, unisex benefits and rates apply. Not available in all states. All payments and all guarantees are subject to the claims paying ability of Protective Life Insurance Company.

ExtendCare Rider (Form L627 8-10 or Form ICC10-P-R2), and Chronic Illness Accelerated Death Benefit Rider (Form L624) and state variations thereof, assume medical and financial underwriting qualifications at time of initial application, are available only at issue and at additional cost, and may not be available in all states. Actual terms and conditions contained in the riders govern all benefits provided. **The ExtendCare Rider is intended as a non-medical supplement to traditional long-term care policies and riders.**



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