

Policy Cost Analyzer

A COMPARISON OF "BELTH" RELATIVE POLICY COSTS

Client:

Date:

Projection Year														
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

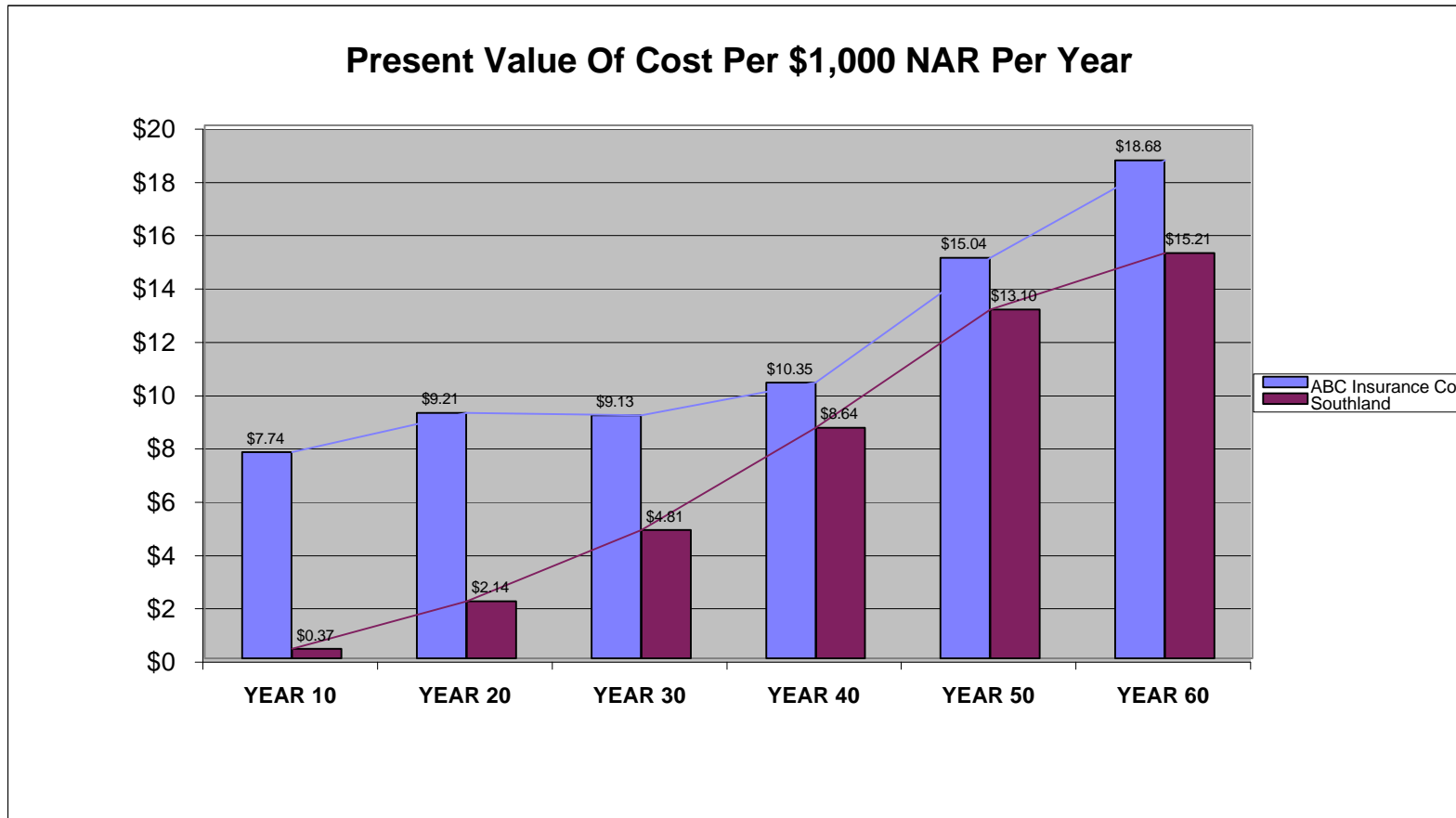
ABC Insurance Co															
Actual cash value beginning of year	0	3303	6810	11765	16997	22509	28306	34386	40743	47365	54232	62922	71958	81735	92417
Premium paid in year	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000
Cash value + premium	6000	9303	12810	17765	22997	28509	34306	40386	46743	53365	60232	68922	77958	87735	98417
Assumed interest rate	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95
Interest for the year	417	647	890	1235	1598	1981	2384	2807	3249	3709	4186	4790	5418	6098	6840
Hypothetical cash value end of year	6417	9950	13700	19000	24595	30490	36690	43193	49992	57074	64418	73712	83376	93833	105257
Actual cash value end of year	3303	6810	11765	16997	22509	28306	34386	40743	47365	54232	62922	71958	81735	92417	104054
Implied policy cost	3114	3140	1935	2003	2086	2184	2304	2450	2627	2842	1496	1754	1641	1416	1203
Death benefit end of year	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000
"Net amount of protection" (NAR)	1996697	1993190	1988235	1983003	1977491	1971694	1965614	1959257	1952635	1945768	1937078	1928042	1918265	1907583	1895946
Policy cost per 1000 NAR	1.56	1.58	0.97	1.01	1.06	1.11	1.17	1.25	1.35	1.46	0.77	0.91	0.86	0.74	0.63
PV Cost/1000 NAR/yr @ 10.0%	1.42	2.72	3.45	4.14	4.80	5.42	6.02	6.61	7.18	7.74	8.01	8.30	8.55	8.74	8.90

Southland															
Actual cash value beginning of year	0	6737	13850	21355	29284	37589	46349	55546	65199	75324	85877	96826	108213	120079	132411
Premium paid in year	6358	6358	6358	6358	6358	6358	6358	6358	6358	6358	6358	6358	6358	6358	6358
Cash value + premium	6358	13095	20208	27713	35642	43947	52707	61904	71557	81682	92235	103184	114571	126437	138769
Assumed interest rate	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Interest for the year	366	753	1162	1593	2049	2527	3031	3559	4115	4697	5304	5933	6588	7270	7979
Hypothetical cash value end of year	6724	13848	21370	29306	37691	46474	55738	65463	75672	86379	97539	109117	121159	133707	146748
Actual cash value end of year	6737	13850	21355	29284	37589	46349	55546	65199	75324	85877	96826	108213	120079	132411	145256
Implied policy cost	-13	-2	15	22	102	125	192	264	348	502	713	904	1080	1296	1492
Death benefit end of year	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000	2000000
"Net amount of protection" (NAR)	1993263	1986150	1978645	1970716	1962411	1953651	1944454	1934801	1924676	1914123	1903174	1891787	1879921	1867589	1854744
Policy cost per 1000 NAR	-0.01	0.00	0.01	0.01	0.05	0.06	0.10	0.14	0.18	0.26	0.37	0.48	0.57	0.69	0.80
PV Cost/1000 NAR/yr @ 10.0%	-0.01	-0.01	0.00	0.01	0.04	0.08	0.13	0.19	0.27	0.37	0.50	0.65	0.82	1.00	1.19

ASSUMPTIONS:

- (1) Unless otherwise shown, cash values, death benefits, premiums and interest rates are as shown in accompanying illustrations and materials provided.
- (2) Premiums assumed to be paid at beginning of year.
- (3) Discount Rate 10.0%

Policy Cost Analyzer



See Accompanying Pages

Prepared for: _____

Date: 1/16/2002

ASSUMPTIONS: (1) Discount Rate 10.0%