

Kai-Zen Plan Design	
Assumed DB Need - \$1,000,000	
Insured Client	Male Age 50
Insurance Health Rating	Standard
Annual Contribution Amount	\$43,978
Total 5 Year Contributions	\$219,891
Bank Financed Leverage	3:01
Loan Interest Rate	LIBOR + 1.75%
Loan Amount	\$602,871
Policy Average Annual Return	8%
IUL Policy Crediting Rate	Participation: 100%
	Cap: 13%
	Floor: 0%

The Kai-Zen Plan™ isn't the only choice for solving retirement, disability and death benefit needs - but it is the best! Two unique features create

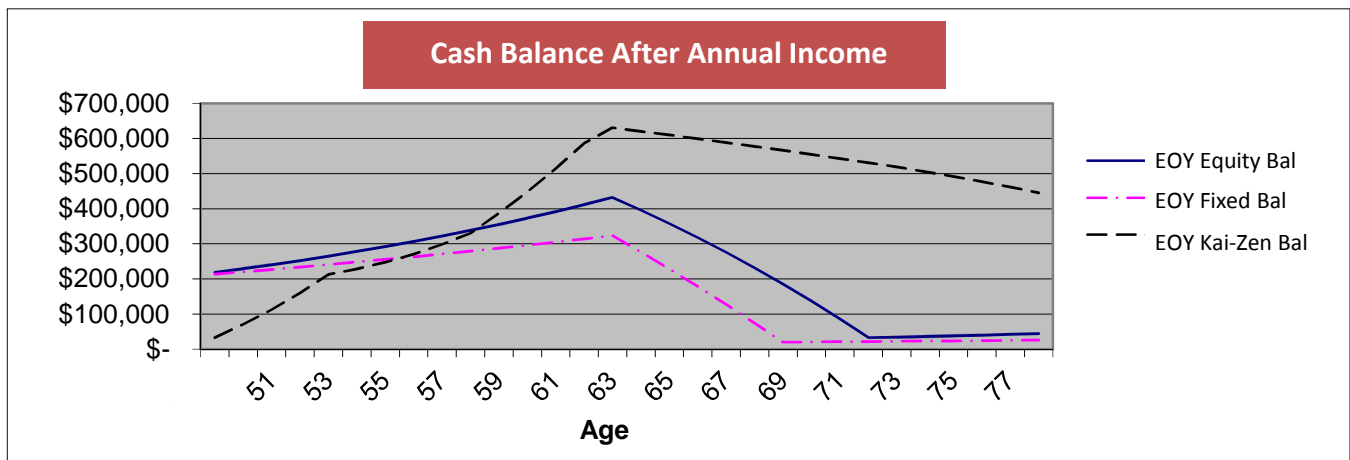
The Kai-Zen opportunity:

- Early compounding of bank financed funds
- IUL insurance policies that allow for Market Participation with Principal Protection

Alternative Planning Strategy	
Present Value of Contributions	\$207,682
Discount Rate	3%
Fixed Income Net Yield	3%
Equities Net Yield (post-tax)	5%

Year	Age	Equities		Fixed		Kai-Zen Plan		
		EOY Balance	Annual Income	EOY Balance	Annual Income	EOY Cash Value	Annual Income	Death Benefit
1	50	\$ 218,066		\$ 213,912		\$ 33,007		\$ 1,533,007
5	54	\$ 265,060		\$ 240,760		\$ 213,265		\$ 1,713,265
8	57	\$ 306,840		\$ 263,085		\$ 270,638		\$ 1,770,638
11	60	\$ 355,206		\$ 287,480		\$ 386,536		\$ 986,536
15	64	\$ 431,755		\$ 323,561		\$ 630,365		\$ 1,230,365
16	65	\$ 395,593	\$ 55,000	\$ 276,618	\$ 55,000	\$ 620,241	\$ 55,000	\$ 1,220,241
20	69	\$ 231,936	\$ 55,000	\$ 74,334	\$ 55,000	\$ 577,484	\$ 55,000	\$ 1,177,484
21	70	\$ 185,783	\$ 55,000	\$ 19,914	\$ 55,000	\$ 566,227	\$ 55,000	\$ 1,166,227
24	73	\$ 33,010	\$ 55,000	\$ 21,760		\$ 531,020	\$ 55,000	\$ 1,131,020
36	85	\$ 59,281		\$ 31,025		\$ 315,949	\$ 55,000	\$ 942,276

Explanatory Notes on Reverse Side



Notes

Year 1	Equity and Fixed accounts have a higher EOY balance because they are assumed to begin with the present value (\$207,687) of the total contributions to The Kai-Zen Plan™ (\$219,891) where as the Kai-Zen contributions are spread out over five years.
Year 8	The cash value of the policies in The Kai-Zen Plan™ have exceeded the balance of the Fixed Account. In addition The Kai-Zen Plan™ provides a \$1.5 million death benefit not available to the Fixed Account investor.
Year 11	The cash value of the policies in the Kai-Zen Plan exceed the balance of the Equity Account. In addition the Kai-Zen Plan provides just under \$1 million death benefit not available to the Equity Account investor. The Kai-Zen Plan™ death benefit declines in year 11 due to the plan design that drops a term rider in order to increase policy growth.
Year 15	The Kai-Zen Plan™ has nearly twice the balance of the Fixed Account and nearly 50% more than the Equity Account - Plus the death benefit.
Year 16	The first year that tax free policy loans are available from The Kai-Zen Plan™ policy. In this example the client would withdraw \$55,000 annually. For comparison purposes we have assumed that the Fixed and Equity accounts are able to generate the same annual cash flow to the client.
Year 21	This is the last year that the Fixed Account is able to generate the \$55,000 annual cash flow to the client. Note that even after five years of income from The Kai-Zen Plan™ the policy still has a value of over \$566,000 and the death benefit has increased to \$1.16 million.
Year 24	This is the last year that the Equity Account is able to generate the \$55,000 annual cash flow to the client. Note that even after 9 years of income from The Kai-Zen Plan™ the policy still has a cash value of about \$531,000 and the death benefit remains over \$1.1 million.
Year 36	At age 85 The Kai-Zen Plan has continued to generate \$55,000 annually of tax free income from policy loans. The Cash Surrender Value of the Policy is about \$315,000 and the death benefit is just under \$1 million.
Years 1-36	At anytime the client has the ability to take additional funds from the Kai-Zen Plan™ cash value to cover medical or other personal expenses. In addition, if the client is diagnosed with a Terminal Illness the Death Benefit can be accelerated.

A Whole New Way of Thinking



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