

# Annuity Analysis Report

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## Policy Data/Assumptions

	Minimum Premium	Recommended Premium	7-Pay Max Premium
Annual Contribution	\$ 2,775	\$ 2,784	\$ 9,944
Projected Cash Value		\$ 46,147	\$ 164,000
Retirement Cash Value		\$ 418,470	\$ 1,780,690
Year 5 Cash Value		\$ 9,491	

Participation Ratio	100%
Min Return	0.75%
Max Return	15%
Assumed Return	7.75%
Year of 1st Policy Proj.	15
Annuity Payout Rate	6%

## Other Info/Assumptions

Current Age	25
Retirement Age	65
Current Tax Rate	20%
Index Curr Yield	2.18%

## Life Insurance Data

Annuity Policy Life Ins. Death Benefit	\$ 186,000	
Term Life Insurance Alternative	Pacific Life	AIG
Death Benefit	\$ 1,000,000	\$ 1,000,000
Term	30	30
Annual Premium	\$510	\$513

## Policy Analysis

Internal Rate of Return		Up-front Cost / Policy Commission
Base Premium	#NUM!	
Recommended Premium	1.41%	
7-Pay Maximum Premium	6.62%	\$6,760

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**If you are considering an annuity visit [PurposefulFinance.org](http://PurposefulFinance.org)**



Analysis for:

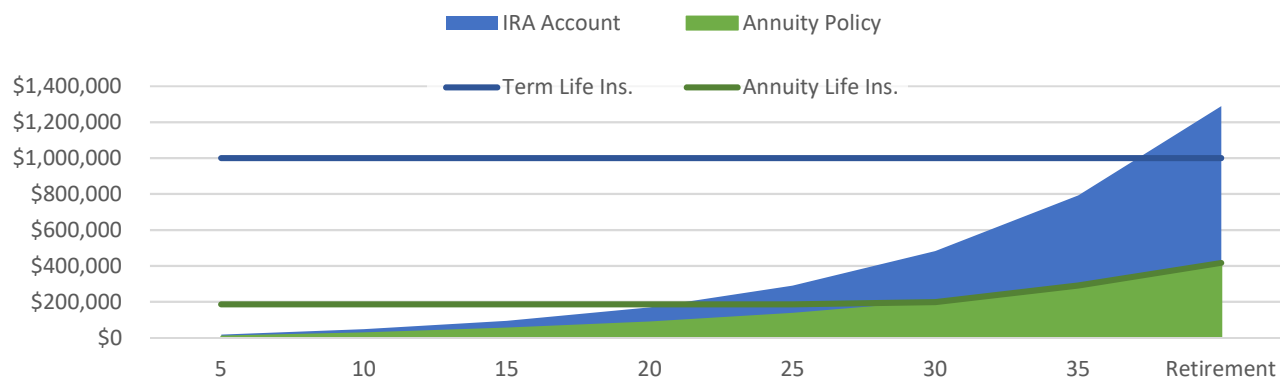
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### Investment Alternatives

	15 Years From Now	Difference	Retirement	Difference
IRA Account	\$93,835	-\$47,688	\$1,511,203	-\$1,092,733
IRA: 7-Pay	\$250,960	-\$86,960	\$2,676,146	-\$895,456
IRA + \$1 mil Term Life	\$77,713	-\$31,566	\$1,289,629	-\$871,159
IRA: 7-Pay + Term Life	\$240,658	-\$76,658	\$2,566,292	-\$785,602
Taxable Account	\$87,965	-\$41,818	\$1,208,962	-\$790,492
Taxable Account: 7-Pay	\$200,768	-\$36,768	\$2,140,917	-\$360,227

### Comparison of Annuity Policy Vs. IRA Investment with Term Life



### Projected Retirement Income

	Annuity	IRA
Monthly Income	\$2,092 *	\$3,778 **
Expected Tax Liability	(\$171)	(\$756)
Net Income	\$1,922	\$3,022
Ending Balance for Heirs	\$0	\$1,511,203

\*Annuity Payouts do not adjusted for inflation, this will be the payment for your whole retirement

\*\*IRA income calculated as adjusting for inflation at 3%, otherwise the amount would be higher

### Inflation Impact on Income

Purchasing Power in Today's Dollars	Annuity	IRA
10 Years into Retirement	\$1,417	\$3,022
20 Years into Retirement	\$1,045	\$3,022
30 Years into retirement	\$771	\$3,022