



LEVERAGING MISSED PREMIUM OPPORTUNITIES

James Bolton is a thriving 40-year-old Real Estate Developer. His advisors have recently recommended that he acquire \$10,000,000 of life insurance to provide for his family in the event of James' pre-mature death.

James' preference was for a fully guaranteed life insurance policy to balance his portfolio of risky investments. He was concerned, however, about the lack of flexibility of no lapse guarantee products which often fall apart if a premium is missed. James felt that it was important for him to be able to miss a premium so that he did not lose out on any Real Estate Investment opportunities that came along.

Premier ran a **Stress Test Analysis** on James' illustrations and came up with the following recommendation:

- Tax Free Death Benefit: \$10,000,000
- Annual Premium to Guarantee for Life: \$63,569
- Divert Premium to Investment Opportunity: Years 6 and 16
- Internal Rate of Return on DB at age 65: 12.86%
- Policy Guarantee after Missed Premium: Age 115

By using Protective Life's Protective Advantage Choice Program, the product which performed best in our Stress Test Analysis, even if James skips the 6th and 16th premium payments (for example) and uses the \$63,569 for real estate investment opportunities, his policy is still guaranteed to stay in force to age 115.

The bottom line is that by being aware of Missed Premium Stress Testing and utilizing these analyses to help identify the optimum product-fit, it allows your clients the ability to take advantage of premium flexibility when investment opportunities or unforeseen expenditures arise.