



PREMIER

BROKERAGE SERVICES, INC.

MAXIMIZING CASH FLOW FLEXIBILITY

Ronald Buckley is a 50-year-old owner of an advertising business. Mr. Buckley's financial advisors recommended \$5,000,000 of life insurance coverage to deliver income replacement for his family in the event of his death.

Although Mr. Buckley agreed that his need for life insurance was significant, paying the premiums seemed impossible at this time as cash flow from his business was low. Mr. Buckley's advisors were faced with the challenge of finding a way to provide life insurance protection today (preserving insurability) while staying within a temporarily limited budget.

Consider the following:

- The annual premium for the most competitive 10-year-level term insurance assuming Standard Non-Tobacco rates was \$8,398.
- By utilizing American National's Annual Renewable Term product, the advisors were able to reduce the annual premium to \$4,160 in year one and \$5,110 in year two.
- At the end of two years Mr. Buckley projects that his business will be fully back to prior profitability levels. At that time the extremely unique features of the American National Annual Renewable Term Product will allow him the flexibility to:
 - Continue with the annual renewable term product
 - Convert to a 20-Year-Level Term Product which will guarantee coverage thru age 72 at an annual premium of \$20,360.
 - Convert to a permanent no lapse guarantee product which will guarantee coverage for life at an annual premium of \$59,451. The permanent solution includes a built-in chronic illness rider which will allow Mr. Buckley access to his death benefit during his life if he is unable to perform 2 out of 6 activities of daily living. A Guaranteed Cash Out provision provides Mr. Buckley with the ability to surrender his policy and receive a partial return of premium in the 15th, 20th and 25th policy year.

The Bottom Line is that there are many life events which may temporarily impact discretionary income. By taking advantage of this niche product, the advisors were able to deliver their client immediate life insurance protection, stay within temporary cash flow limitations, and ultimately provide significant flexibility for future needs.

RELATIONSHIPS FIRST

Corporate Headquarters: 604 Harper Avenue ▪ Jenkintown, PA 19046 ▪ Tel: 800.543.5555
Miami Office: 3470 NW 82nd Avenue, Suite #670 ▪ Doral, FL 33122 ▪ Tel: 800.683.3077

www.premierbrokerage.com