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Whole Life Insurance as a Volatility Buffer Asset

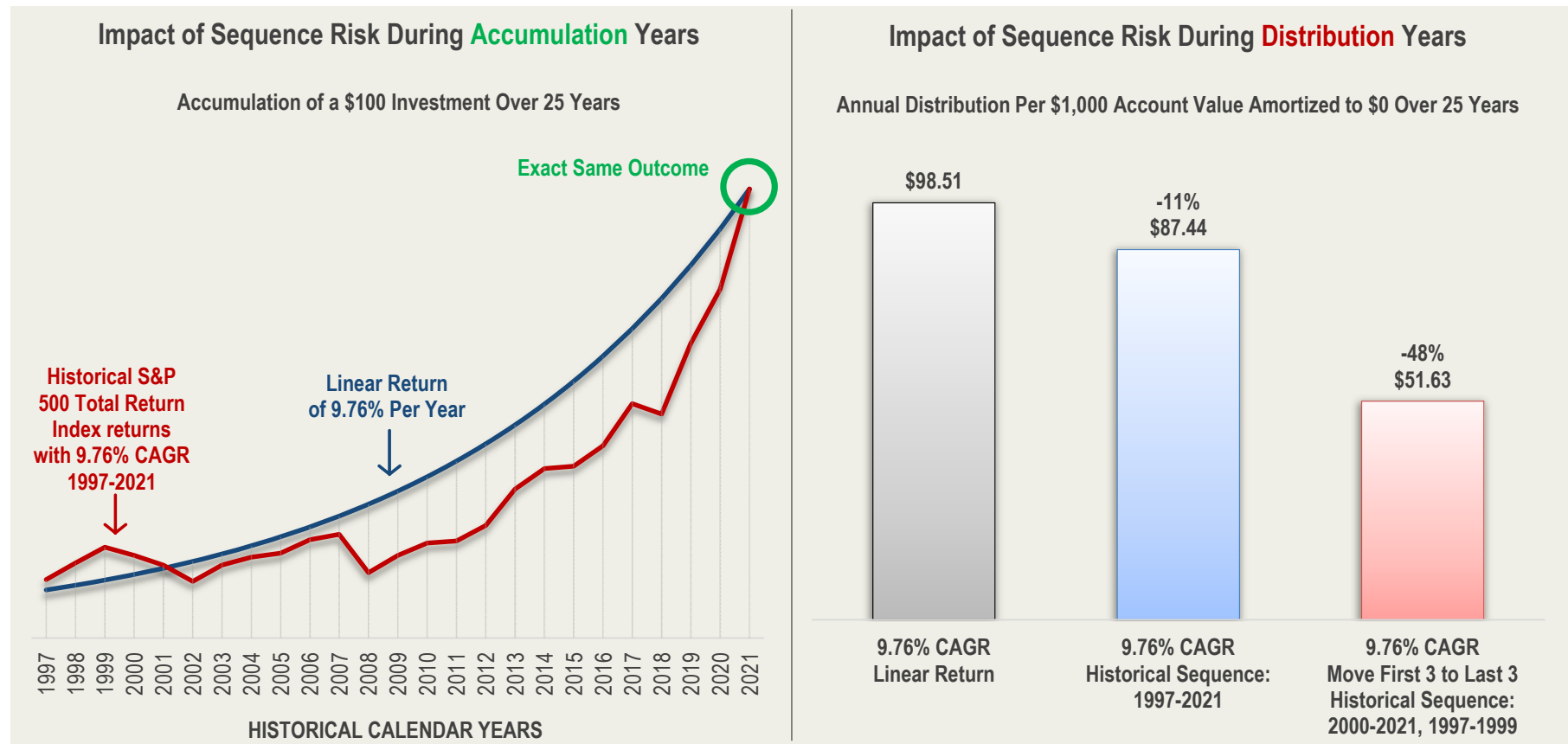
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Potential Impact of Sequence of Returns Risk on Your Retirement Portfolio

If your retirement portfolio consists of investment assets that fluctuate in value, positively and negatively, the sequence of investment returns realized year to year can greatly affect how much retirement income it can support, how long it will last at a specific income level, or both. Generally, the sequence of returns risk matters more once you switch to the distribution phase of your investment time horizon, or the 3-5 years leading up to the start of that phase, as opposed to the accumulation phase. See example below.

The following example illustrates this risk by comparing an investment using a set of variable (positive and negative) returns to one using a linear (same every year) return equal to the compound average growth rate (CAGR) of the variable returns. In the accumulation phase, both outcomes are the same, implying the impact of volatility is negligible. In the distribution phase, however, the outcomes are dramatically different despite the same CAGR - the sequence of returns matters more when taking distributions.

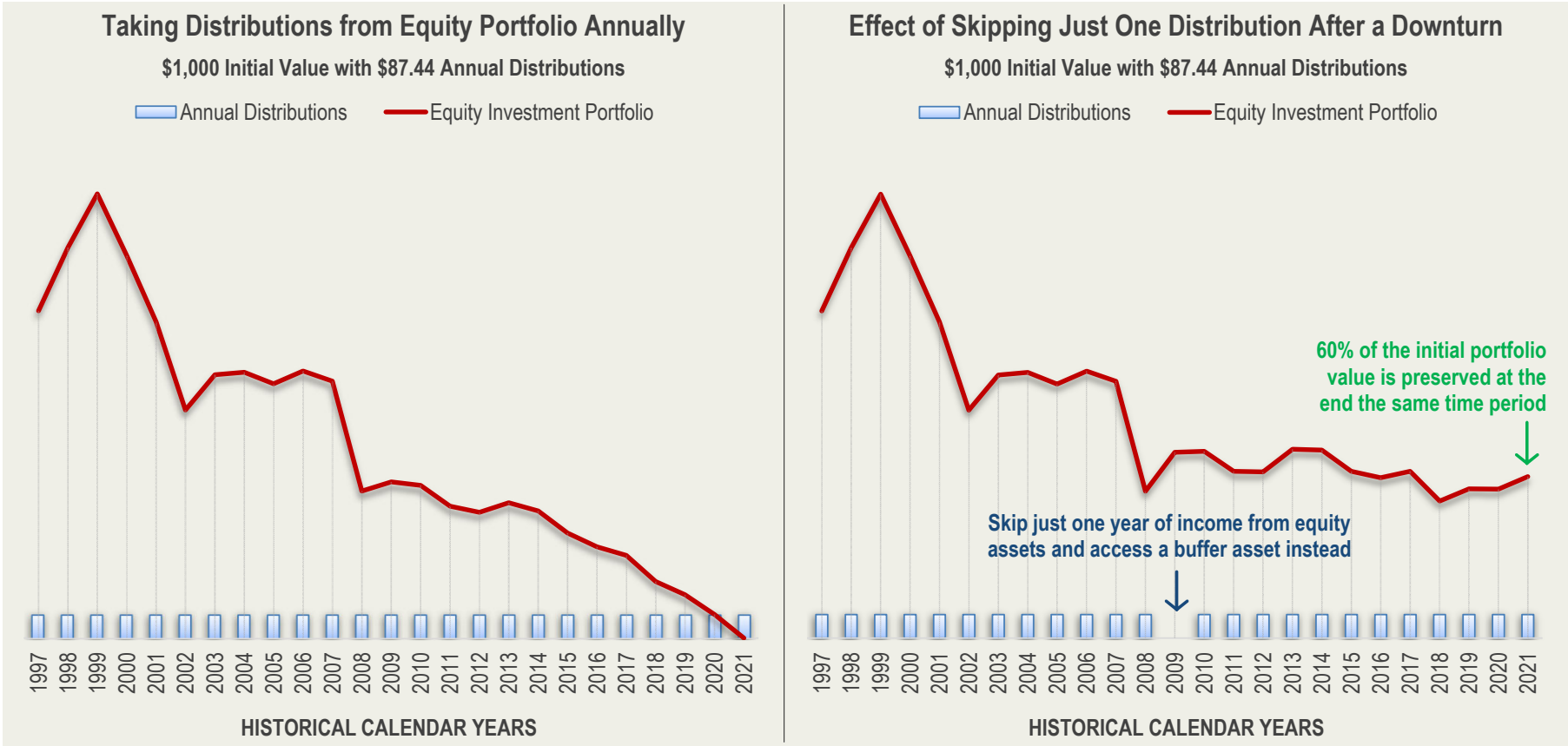


The variable returns, and corresponding linear CAGR, used are based on the historical calendar-year results for the S&P 500 Total Return Index over the past 25 years (12/31/1996 to 12/31/2021).

Adding a "Buffer Asset" to Your Portfolio Can Be a Good Risk Management Strategy

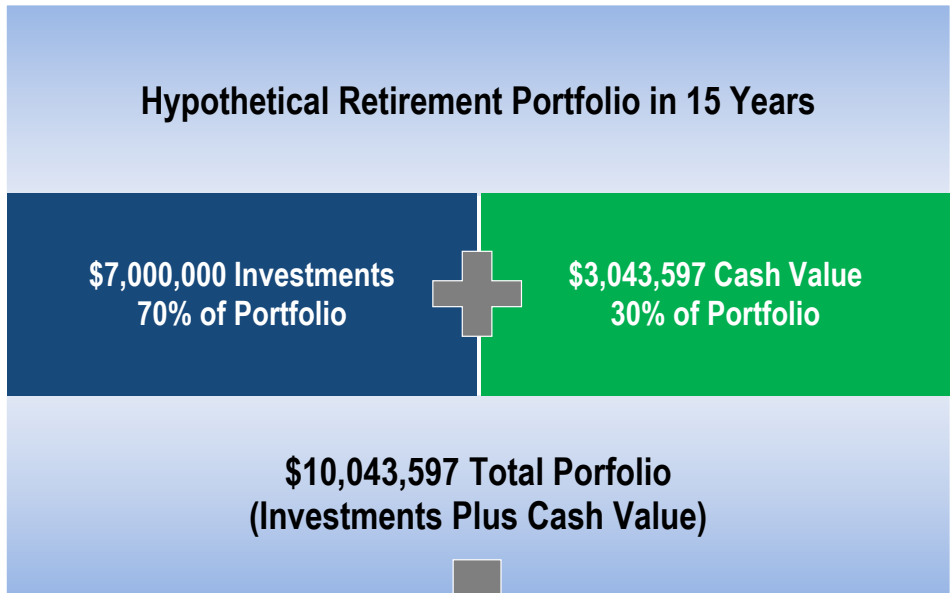
A buffer asset is one that can yield returns that are not correlated to other investments and provide a secondary source of income when the those investments are down from a prior year. Sequence of returns risk is exacerbated when selling investments after realizing a loss because it compounds the loss. Using buffer assets for income following "down" years can allow your equity assets time to recover before distributions therefrom resume, which can help mitigate this risk. In other words, simple risk management strategy could be to take income from your equity investment assets following years where returns are positive (up), and from your buffer asset(s) following years where returns are negative (down).

For example, in the \$87.44 annual distribution per \$1,000 of account value scenario from the prior page, skipping just one year of income from equity investments in 2009, after the S&P 500 Total Return Index for 2008 was down 37%, would result in a portfolio value at the end of the 25-year distribution period equal to 60% of the value at the start of the period (compared to 0%). If a buffer asset were accessible, it could provide the income for the skipped year and greatly impact the longevity of the other investments. See example below.



Common buffer assets can include bonds, a reverse mortgage, and Whole Life Insurance. This presentation is designed to show how Whole Life Insurance can be used in this manner. Ultimately, which options may be best for you depends on your individual circumstances and a combination of buffer assets may be a wise strategy to consider.

Projected Pre-Retirement Values for Whole Life Insurance at the Current Dividend Rate: Building a Buffer Asset										
1	2	3	4	5	6	7	8	9	10	11
End of Policy Year	Attained Age	Annual Premium	Annual Withdrawal and/or Policy Loan	Cash Value	Annual Cash Value Increase	Internal Rate of Return on Cash Value	Pre-Tax Equivalent IRR (@25% Tax)	Death Benefit	Internal Rate of Return on Death Benefit	Pre-Tax Equivalent IRR (@25% Tax)
1	51	200,500	0	191,405	-4.54%	-4.54%	-4.54%	3,823,767	1807.12%	2409.49%
2	52	200,000	0	382,161	-2.36%	-3.08%	-3.08%	3,827,965	289.91%	386.54%
3	53	200,000	0	572,115	-1.73%	-2.40%	-2.40%	3,832,312	127.06%	169.41%
4	54	200,000	0	761,113	-1.42%	-2.01%	-2.01%	3,837,831	73.90%	98.53%
5	55	200,000	0	969,868	0.91%	-1.03%	-1.03%	3,847,824	48.86%	65.14%
6	56	200,000	0	1,217,373	4.06%	0.40%	0.53%	4,110,341	36.63%	48.84%
7	57	200,000	0	1,479,211	4.36%	1.37%	1.82%	4,504,557	29.60%	39.46%
8	58	200,000	0	1,755,395	4.54%	2.05%	2.73%	4,905,841	24.74%	32.99%
9	59	200,000	0	2,046,395	4.65%	2.55%	3.40%	5,313,862	21.21%	28.28%
10	60	200,000	0	2,352,648	4.73%	2.93%	3.90%	5,728,813	18.54%	24.72%
11	61	0	0	2,477,359	5.30%	3.28%	4.37%	4,579,240	12.59%	16.78%
12	62	0	0	2,608,424	5.29%	3.53%	4.71%	4,710,174	11.39%	15.18%
13	63	0	0	2,746,366	5.29%	3.73%	4.97%	4,846,426	10.44%	13.92%
14	64	0	0	2,891,367	5.28%	3.89%	5.18%	4,988,084	9.69%	12.92%
15	65	0	0	3,043,597	5.26%	4.01%	5.35%	5,135,159	9.07%	12.09%



Two Hypothetical Retirement Scenarios Illustrated in this Analysis:

Scenario #1: Whole Life Insurance as a Legacy Strategy	Scenario #2: Whole Life Insurance as a Volatility Buffer Asset
<ul style="list-style-type: none"> Withdrawals are taken from investment assets only to support retirement income. Income amount results in the investment assets being depleted at the end of the rate of return period selected. Assumed annual rates of return are based on those highlighted in gray to the right. Whole life policy is used only as a strategy to leave a financial legacy to beneficiaries. 	<ul style="list-style-type: none"> Withdrawals from investment assets are taken following years where investment returns are positive ("up" years). Following years where investment returns are negative ("down" years), disbursements are taken from a whole life cash value. This approach illustrates how a whole life policy can help provide a volatility "buffer," allowing other investments time to recover and mitigating possibly harmful volatility. Assumed annual rates of return are based on those highlighted in gray to the right.

Investment Returns Illustrated			
Historical Calendar Year	Equities: S&P 500 Total Return Index	Bonds: Bloomberg Barclays U.S. Aggregate Bond Index	Weighted Portfolio Returns at 100%/0% Equities/Bonds
1987	5.25%	2.75%	5.25%
1988	16.61%	7.89%	16.61%
1989	31.69%	14.53%	31.69%
1990	-3.10%	8.96%	-3.10%
1991	30.47%	16.00%	30.47%
1992	7.62%	7.40%	7.62%
1993	10.08%	9.75%	10.08%
1994	1.32%	-2.92%	1.32%
1995	37.58%	18.46%	37.58%
1996	22.96%	3.64%	22.96%
1997	33.36%	9.64%	33.36%
1998	28.58%	8.70%	28.58%
1999	21.04%	-0.82%	21.04%
2000	-9.10%	11.63%	-9.10%
2001	-11.89%	8.43%	-11.89%
2002	-22.10%	10.26%	-22.10%
2003	28.68%	4.10%	28.68%
2004	10.88%	4.34%	10.88%
2005	4.91%	2.43%	4.91%
2006	15.79%	4.33%	15.79%
2007	5.49%	6.97%	5.49%
2008	-37.00%	5.24%	-37.00%
2009	26.46%	5.93%	26.46%
2010	15.06%	6.54%	15.06%
2011	2.11%	7.84%	2.11%
2012	16.00%	4.22%	16.00%
2013	32.39%	-2.02%	32.39%
2014	13.69%	5.97%	13.69%
2015	1.38%	0.55%	1.38%
2016	11.96%	2.65%	11.96%
2017	21.83%	3.54%	21.83%
2018	-4.38%	0.01%	-4.38%
2019	31.49%	8.72%	31.49%
2020	18.40%	7.51%	18.40%
2021	28.41%	-1.54%	28.41%

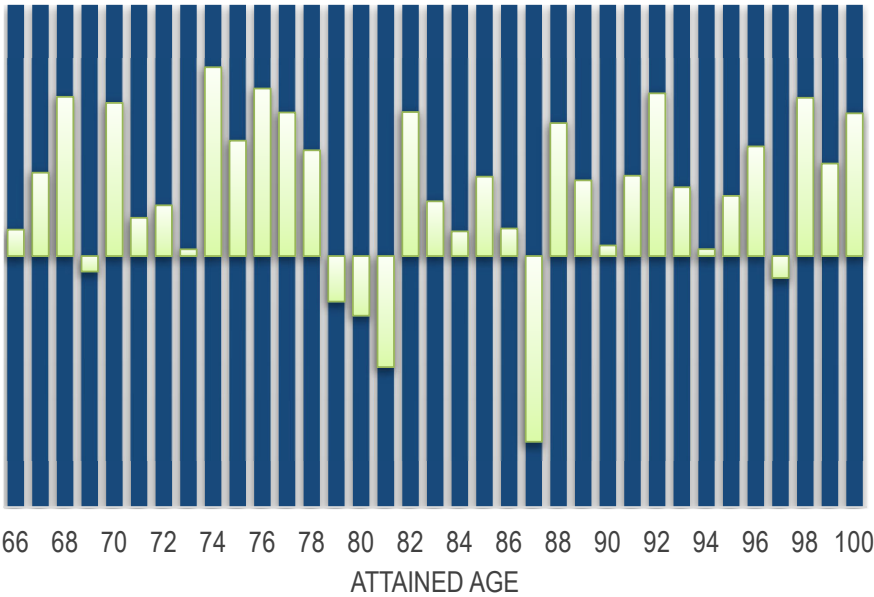
Hypothetical Retirement Cash Flow Comparison

Whole Life Insurance as a Legacy Strategy

Income from Investments Only, None from Whole Life Policy

Sequence of Income

- After-Tax Investments Income
- Whole Life Policy Disbursements
- Investment Returns



Total After-Tax Income at Age 100:

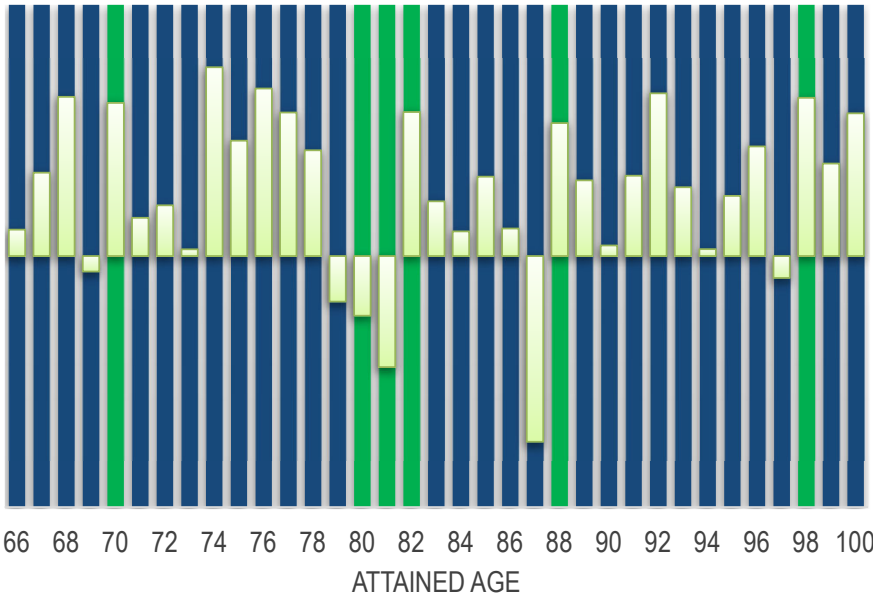


Whole Life Insurance as a Volatility Buffer Asset

Income from Investments after "Up" Years; Whole Policy after "Down" Years

Sequence of Income

- After-Tax Investments Income
- Whole Life Policy Disbursements
- Investment Returns



Total After-Tax Income at Age 100:



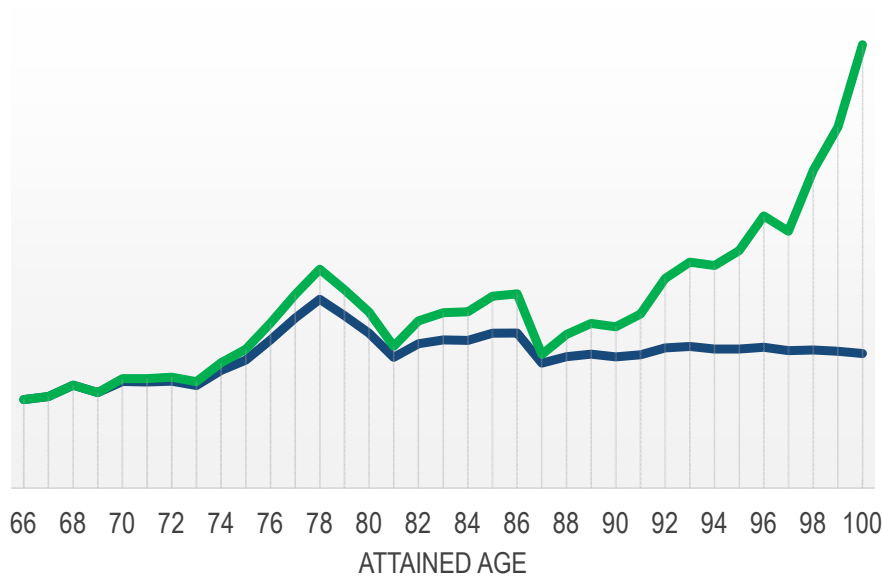
Hypothetical Effect on Lifestyle and Legacy Capital Comparison

Effect on Lifestyle Capital

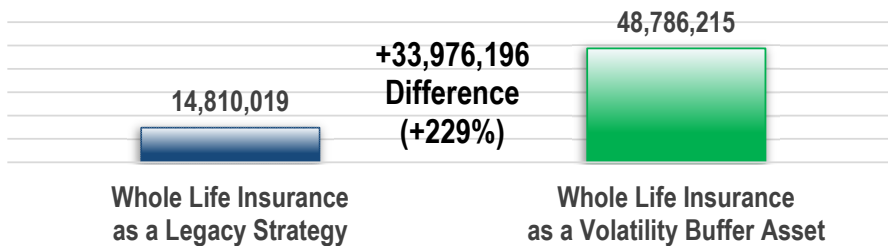
Wealth that can be used to generate cash flow during life

Investment Assets Plus Cash Value

— Legacy Strategy — Volatility Buffer



Lifestyle Capital at Age 100:

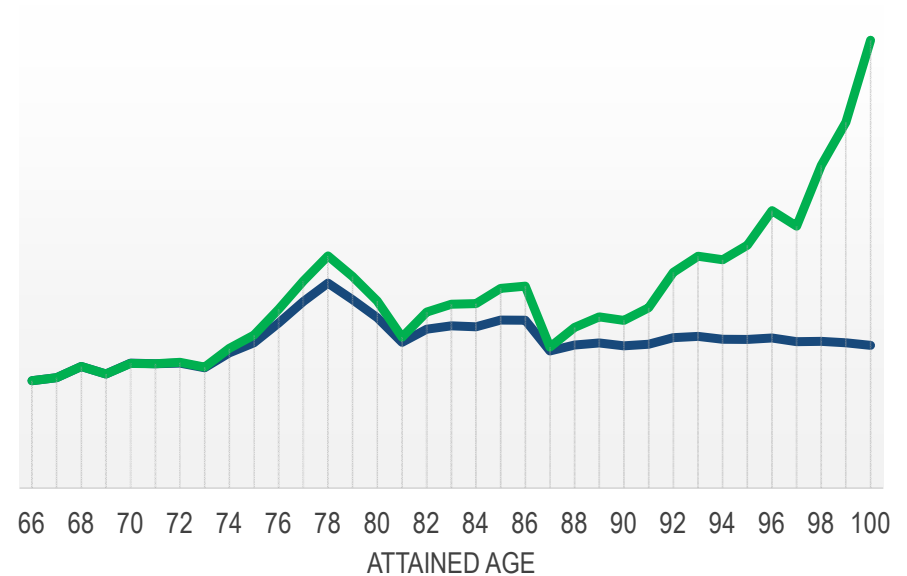


Effect on Legacy Capital

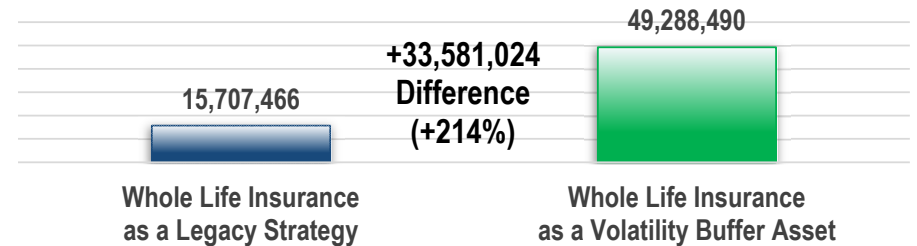
Wealth that can be transferred to others upon death

Investment Assets Plus Death Benefit

— Legacy Strategy — Volatility Buffer



Legacy Capital at Age 100:



What Could the Premiums Grow to if Invested in Other Lower-Risk Assets?

1	2	3	4	5	6	7
Policy Year	Attained Age	Assumed Historical Calendar Year	Premiums Alternately Invested in Bonds	Bloomberg Barclays U.S. Agg. Bond Index Returns	Bond Assets (Ignoring Taxation)	IRR on Bond Assets (Ignoring Taxation)
1	51	2007	200,500	6.97%	214,475	6.97%
2	52	2008	200,000	5.24%	436,193	5.83%
3	53	2009	200,000	5.93%	673,920	5.88%
4	54	2010	200,000	6.54%	931,074	6.13%
5	55	2011	200,000	7.84%	1,219,750	6.68%
6	56	2012	200,000	4.22%	1,479,664	6.00%
7	57	2013	200,000	-2.02%	1,645,734	4.03%
8	58	2014	200,000	5.97%	1,955,925	4.44%
9	59	2015	200,000	0.55%	2,167,782	3.69%
10	60	2016	200,000	2.65%	2,430,529	3.51%
11	61	2017	0	3.54%	2,516,569	3.51%
12	62	2018	0	0.01%	2,516,821	3.06%
13	63	2019	0	8.72%	2,736,288	3.69%
14	64	2020	0	7.51%	2,941,783	4.07%
15	65	2021	0	-1.54%	2,896,479	3.54%

With It's Low-Risk Predictable Growth, Whole Life Can Act as a Long-Term Bond or Fixed-Income Alternative:

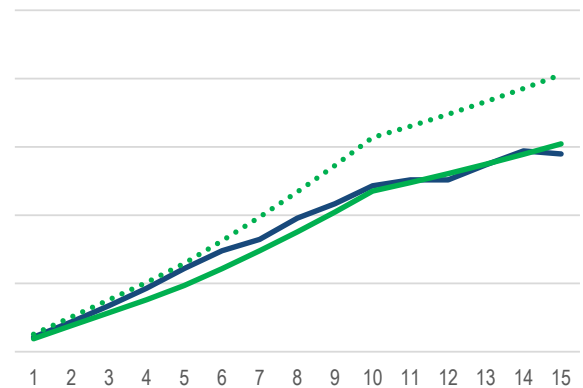
Comparison after 15 Years

	Illustrated Asset Values	Internal Rate of Return (IRR)
Whole Life Death Benefit	5,135,159	9.07%
Whole Life Cash Value	3,043,597	4.01%
Alternate Bond Investment	2,896,479	3.54%

	Pre-Tax-Equivalent Value	Pre-Tax-Equivalent IRR
Whole Life Death Benefit	6,846,879	12.09%
Whole Life Cash Value	4,058,129	5.35%
Alternate Bond Investment	2,896,479	3.54%

Projected Values

- Alternate Bond Investment
- Whole Life Cash Value
- Pre-Tax-Equivalent Cash Value



Assumes a 25.00% tax rate. Bond investment value is not adjusted to a pre-tax-equivalent above because the projection does not account for taxes on realized income or gains during accumulation years.

Potential Benefits of Whole Life Insurance



VALUABLE DEATH BENEFIT PROTECTION

The death benefit can provide a predictable legacy to your beneficiaries upon your passing; helping them maintain their standard of living, pay your estate settlement costs, or mitigate volatility in or income taxes on other inherited assets. Knowing a predictable amount is earmarked for your beneficiaries could help increase your confidence to invest other assets more aggressively or spend more of your other assets on yourself during your lifetime.



PREDICTABLE CASH VALUE ACCUMULATION

In addition to death benefit, the policy provides for the build-up of cash value while the insured is alive, which is guaranteed to increase every year as long as required premiums are paid and no withdrawals or loans are taken. This predictable growth does not correlate to, nor fluctuate with, the financial markets which can provide a buffer against unfavorable volatility in other riskier assets and help uniquely diversify and de-risk your portfolio.



FREELY ACCESSIBLE CASH VALUE

You have the flexibility to take withdrawals from and/or borrow against the policy's cash value at any time and for any reason, generally without penalty, such as to provide easy access to liquidity for unforeseen expenses or to supplement retirement income.*



ELIGIBILITY TO RECEIVE DIVIDENDS

The guaranteed cash value and death benefit can be enhanced by annual policy dividends if used to buy "paid-up additions." Dividends have been paid every year for decades by highly-rated, mutual insurance carriers and represent your opportunity to participate in the surplus and equity performance of the insurance company which can boost your policy's aggregate performance long term.



COMPETITIVE RATE OF RETURN POTENTIAL

With dividends, the death benefit and cash value can appreciate at a competitive rate of return over time, especially on a risk-adjusted basis, which can position the policy as an attractive bond or fixed-income alternative asset class.



SUPERIOR PERFORMANCE GUARANTEES

The base premium, death benefit and cash value accumulation are guaranteed. Although future dividend interest rates (DIRs) are not guaranteed, past dividends received and the resulting additional cash value and death benefit they purchase are guaranteed.



CODIFIED INCOME TAX BENEFITS

Death benefit proceeds are generally received by your beneficiaries income tax free. These proceeds can be estate tax free too if owned properly in an irrevocable trust. Moreover, cash value can grow tax deferred and disbursements therefrom can be income tax free to you, if managed properly, which can help provide valuable tax diversification within your portfolio.*

*Comments herein are general in nature. Please refer to Additional Considerations on page 7 for important information regarding certain income tax considerations of life insurance.

General Attributes of Common Non-Qualified Assets

	Equities*	Bonds*	Variable Annuities	Indexed Annuities	Whole Life Insurance
Guaranteed death benefit protection			✓	✓	✓
Guaranteed account value build-up					✓
Proceeds received income tax free at death by beneficiaries	✓	✓			✓
Tax-deferred account value earnings when realized			✓	✓	✓
Ability to take withdrawals of basis first tax free before gains					✓
Ability to borrow against unrealized gains tax free	✓	✓			✓
Competitive growth potential based on risk tolerance	✓	✓	✓	✓	✓
No exposure or correlation to stock market volatility		✓			✓
No mark-to-market valuation risk from rising interest rates	✓		✓	✓	✓
Creditor protection depending state of residence			✓	✓	✓

*Assumes outright ownership in a taxable brokerage account.

Codified Tax Attributes of Whole Life Insurance

IRC § 101	Income tax treatment of life insurance death benefit proceeds.
IRC § 7702	Definition of life insurance contract and tax treatment of income earned in the cash value.
IRC § 7702A	Definition of a Modified Endowment Contract (MEC).
IRC § 72	Income tax treatment of distributions from annuities, life insurance and MEC cash value.

About This Presentation

This analysis is meant to hypothetically illustrate how the predictable growth of a whole life policy can potentially reduce risk and enhance your retirement and estate plan by helping to provide a buffer against unfavorable volatility and sequence of returns risks with traditional investments held to support retirement income. It assumes the value of your portfolio at retirement consists of traditional investment assets plus the projected cash value of a whole life policy from a basic illustration. It does not account for all the variations in the form of ownership, tax benefits of contributions, and resulting taxation of earnings and/or withdrawals applicable to traditional investable assets and retirement plans. For simplicity's sake, it assumes the investment assets are not subject to taxation until withdrawals are taken at which point a hypothetical tax rate is applied to calculate an after-tax withdrawal amount. How the whole life policy is used is described on page 2.

This hypothetical analysis is for illustrative and discussion purposes only. It does not represent the results of a formal financial plan and should not be construed as financial, tax or legal advice. Please consult a financial, tax and legal professional regarding all financial, tax and legal matters that may pertain to your individual situation.

Additional Considerations

Withdrawals and/or policy loans will reduce the death benefit payable to beneficiaries. Such disbursements are income tax free to the owner only if the policy remains in force until the insured's death and never becomes a Modified Endowment Contract (MEC). MEC distributions (withdrawals, policy loan disbursements and/or increases in loans secured by the policy) are taxable as ordinary income to the extent of gain first plus a 10% additional tax if the owner is under age 59½. Gains (including gains from policy loans) are taxable as ordinary income upon surrender or lapse of a policy during the insured's life.

The death benefit is income tax free to the beneficiary as long as the policy was never transferred for valuable consideration (e.g. sold) to an impermissible transferee or in an impermissible transaction. Permissible transferees include the insured, a partner of the insured, a partnership in which the insured is a partner, or a corporation in which the insured is a shareholder or officer. Permissible transactions include one in which the basis in the hands of the transferee is determined by reference to the basis in the hands of the transferor immediately before the transfer (e.g. a "carryover basis" transaction, gift, etc.)

Projected Retirement Values for Scenario #1: Legacy Strategy

1	2	3	4	5	6	7	8	9	10	11	12	13
End of Policy Year	Assumed Historical Calendar Year	Age	Total Annual Income	Withdrawal from Investment Assets	After-Tax Withdrawal (@15% Tax)	Investment Return	Ending Investment Assets	Life Insurance Disbursement	Life Insurance Cash Value	Life Insurance Death Benefit	Investment Assets Plus Cash Value	Investment Assets Plus Death Benefit
16	1987	66	673,092	791,872	673,092	5.25%	6,534,054	0	3,203,408	5,287,726	9,737,462	11,821,780
17	1988	67	673,092	791,872	673,092	16.61%	6,695,958	0	3,371,108	5,445,886	10,067,066	12,141,844
18	1989	68	673,092	791,872	673,092	31.69%	7,775,091	0	3,547,216	5,609,870	11,322,307	13,384,961
19	1990	69	673,092	791,872	673,092	-3.10%	6,766,738	0	3,731,879	5,779,686	10,498,617	12,546,424
20	1991	70	673,092	791,872	673,092	30.47%	7,795,408	0	3,925,205	5,955,185	11,720,613	13,750,593
21	1992	71	673,092	791,872	673,092	7.62%	7,537,205	0	4,127,024	6,136,122	11,664,229	13,673,327
22	1993	72	673,092	791,872	673,092	10.08%	7,425,262	0	4,337,825	6,322,984	11,763,087	13,748,246
23	1994	73	673,092	791,872	673,092	1.32%	6,720,950	0	4,558,104	6,516,661	11,279,054	13,237,611
24	1995	74	673,092	791,872	673,092	37.58%	8,157,225	0	4,788,079	6,717,748	12,945,304	14,874,973
25	1996	75	673,092	791,872	673,092	22.96%	9,056,437	0	5,027,975	6,926,597	14,084,412	15,983,034
26	1997	76	673,092	791,872	673,092	33.36%	11,021,624	0	5,278,026	7,143,387	16,299,650	18,165,011
27	1998	77	673,092	791,872	673,092	28.58%	13,153,414	0	5,538,735	7,368,389	18,692,149	20,521,803
28	1999	78	673,092	791,872	673,092	21.04%	14,962,410	0	5,810,528	7,601,796	20,772,938	22,564,206
29	2000	79	673,092	791,872	673,092	-9.10%	12,881,019	0	6,093,800	7,843,745	18,974,819	20,724,764
30	2001	80	673,092	791,872	673,092	-11.89%	10,651,747	0	6,388,804	8,094,450	17,040,551	18,746,197
31	2002	81	673,092	791,872	673,092	-22.10%	7,680,842	0	6,695,751	8,354,243	14,376,593	16,035,085
32	2003	82	673,092	791,872	673,092	28.68%	8,864,727	0	7,014,625	8,623,424	15,879,352	17,488,151
33	2004	83	673,092	791,872	673,092	10.88%	8,951,181	0	7,345,748	8,902,124	16,296,929	17,853,305
34	2005	84	673,092	791,872	673,092	4.91%	8,559,930	0	7,689,136	9,191,675	16,249,066	17,751,605
35	2006	85	673,092	791,872	673,092	15.79%	8,994,634	0	8,044,736	9,492,855	17,039,370	18,487,489
36	2007	86	673,092	791,872	673,092	5.49%	8,653,093	0	8,413,540	9,807,527	17,066,633	18,460,620
37	2008	87	673,092	791,872	673,092	-37.00%	4,952,569	0	8,793,937	10,135,338	13,746,506	15,087,907
38	2009	88	673,092	791,872	673,092	26.46%	5,261,617	0	9,185,400	10,476,621	14,447,017	15,738,238
39	2010	89	673,092	791,872	673,092	15.06%	5,142,888	0	9,587,360	10,831,969	14,730,248	15,974,857
40	2011	90	673,092	791,872	673,092	2.11%	4,442,822	0	9,999,614	11,201,713	14,442,436	15,644,535
41	2012	91	673,092	791,872	673,092	16.00%	4,235,102	0	10,422,025	11,586,143	14,657,127	15,821,245
42	2013	92	673,092	791,872	673,092	32.39%	4,558,491	0	10,854,917	11,985,428	15,413,408	16,543,919
43	2014	93	673,092	791,872	673,092	13.69%	4,282,269	0	11,298,871	12,399,435	15,581,140	16,681,704
44	2015	94	673,092	791,872	673,092	1.38%	3,538,564	0	11,754,872	12,828,271	15,293,436	16,366,835
45	2016	95	673,092	791,872	673,092	11.96%	3,075,196	0	12,224,667	13,271,361	15,299,863	16,346,557
46	2017	96	673,092	791,872	673,092	21.83%	2,781,773	0	12,711,568	13,727,710	15,493,341	16,509,483
47	2018	97	673,092	791,872	673,092	-4.38%	1,902,743	0	13,213,541	14,198,734	15,116,284	16,101,477
48	2019	98	673,092	791,872	673,092	31.49%	1,460,684	0	13,730,850	14,685,105	15,191,534	16,145,789
49	2020	99	673,092	791,872	673,092	18.40%	791,872	0	14,263,135	15,187,722	15,055,007	15,979,594
50	2021	100	673,092	791,872	673,092	28.41%	0	0	14,810,019	15,707,466	14,810,019	15,707,466

Projected Retirement Values for Scenario #2: Volatility Buffer

1	2	3	4	5	6	7	8	9	10	11	12	13
End of Policy Year	Assumed Historical Calendar Year	Age	Total Annual Income	Withdrawal from Investment Assets	After-Tax Withdrawal (@15% Tax)	Investment Return	Ending Investment Assets	Life Insurance Disbursement	Life Insurance Cash Value	Life Insurance Death Benefit	Investment Assets Plus Cash Value	Investment Assets Plus Death Benefit
16	1987	66	673,092	791,872	673,092	5.25%	6,534,054	0	3,203,408	5,287,726	9,737,462	11,821,780
17	1988	67	673,092	791,872	673,092	16.61%	6,695,958	0	3,371,108	5,445,886	10,067,066	12,141,844
18	1989	68	673,092	791,872	673,092	31.69%	7,775,091	0	3,547,216	5,609,870	11,322,307	13,384,961
19	1990	69	673,092	791,872	673,092	-3.10%	6,766,738	0	3,731,879	5,779,686	10,498,617	12,546,424
20	1991	70	673,092	0	0	30.47%	8,828,564	673,092	3,217,244	4,881,091	12,045,808	13,709,655
21	1992	71	673,092	791,872	673,092	7.62%	8,649,087	0	3,382,663	5,029,394	12,031,750	13,678,481
22	1993	72	673,092	791,872	673,092	10.08%	8,649,222	0	3,555,443	5,182,553	12,204,665	13,831,775
23	1994	73	673,092	791,872	673,092	1.32%	7,961,066	0	3,735,992	5,341,298	11,697,058	13,302,364
24	1995	74	673,092	791,872	673,092	37.58%	9,863,377	0	3,924,488	5,506,117	13,787,865	15,369,494
25	1996	75	673,092	791,872	673,092	22.96%	11,154,322	0	4,121,115	5,677,297	15,275,437	16,831,619
26	1997	76	673,092	791,872	673,092	33.36%	13,819,363	0	4,326,067	5,854,986	18,145,430	19,674,349
27	1998	77	673,092	791,872	673,092	28.58%	16,750,747	0	4,539,754	6,039,406	21,290,501	22,790,153
28	1999	78	673,092	791,872	673,092	21.04%	19,316,622	0	4,762,525	6,230,716	24,079,147	25,547,338
29	2000	79	673,092	791,872	673,092	-9.10%	16,838,998	0	4,994,706	6,429,026	21,833,704	23,268,024
30	2001	80	673,092	0	0	-11.89%	14,836,841	673,092	4,530,825	5,740,438	19,367,666	20,577,279
31	2002	81	673,092	0	0	-22.10%	11,557,899	673,092	4,042,898	5,049,215	15,600,797	16,607,114
32	2003	82	673,092	0	0	28.68%	14,872,704	673,092	3,523,447	4,499,532	18,396,151	19,372,236
33	2004	83	673,092	791,872	673,092	10.88%	15,612,827	0	3,682,354	4,623,945	19,295,181	20,236,772
34	2005	84	673,092	791,872	673,092	4.91%	15,548,663	0	3,846,435	4,752,877	19,395,098	20,301,540
35	2006	85	673,092	791,872	673,092	15.79%	17,086,888	0	4,015,554	4,886,696	21,102,442	21,973,584
36	2007	86	673,092	791,872	673,092	5.49%	17,189,612	0	4,190,200	5,026,415	21,379,812	22,216,027
37	2008	87	673,092	791,872	673,092	-37.00%	10,330,576	0	4,369,295	5,171,705	14,699,871	15,502,281
38	2009	88	673,092	0	0	26.46%	13,064,046	673,092	3,840,620	4,610,847	16,904,666	17,674,893
39	2010	89	673,092	791,872	673,092	15.06%	14,120,363	0	3,986,548	4,725,297	18,106,911	18,845,660
40	2011	90	673,092	791,872	673,092	2.11%	13,609,722	0	4,133,668	4,843,648	17,743,390	18,453,370
41	2012	91	673,092	791,872	673,092	16.00%	14,868,705	0	4,281,693	4,965,826	19,150,398	19,834,531
42	2013	92	673,092	791,872	673,092	32.39%	18,636,319	0	4,430,601	5,091,676	23,066,920	23,727,995
43	2014	93	673,092	791,872	673,092	13.69%	20,287,351	0	4,580,512	5,220,859	24,867,863	25,508,210
44	2015	94	673,092	791,872	673,092	1.38%	19,764,516	0	4,731,764	5,353,172	24,496,280	25,117,688
45	2016	95	673,092	791,872	673,092	11.96%	21,241,772	0	4,885,122	5,488,014	26,126,894	26,729,786
46	2017	96	673,092	791,872	673,092	21.83%	24,914,113	0	5,042,221	5,624,550	29,956,334	30,538,663
47	2018	97	673,092	791,872	673,092	-4.38%	23,065,686	0	5,201,616	5,763,332	28,267,302	28,829,018
48	2019	98	673,092	0	0	31.49%	30,329,071	673,092	4,651,376	5,192,665	34,980,447	35,521,736
49	2020	99	673,092	791,872	673,092	18.40%	34,972,043	0	4,773,887	5,294,852	39,745,930	40,266,895
50	2021	100	673,092	791,872	673,092	28.41%	43,890,757	0	4,895,458	5,397,733	48,786,215	49,288,490

Projected Retirement Values for Whole Life Insurance at the Current Dividend Rate for Scenario #1: Legacy Strategy

1	2	3	4	5	6	7	8	9	10	11
End of Policy Year	Attained Age	Annual Premium	Annual Withdrawal and/or Policy Loan	Cash Value	Annual Cash Value Increase	Internal Rate of Return on Cash Value	Pre-Tax Equivalent IRR (@25% Tax)	Death Benefit	Internal Rate of Return on Death Benefit	Pre-Tax Equivalent IRR (@25% Tax)
16	66	0	0	3,203,408	5.25%	4.12%	5.49%	5,287,726	8.56%	11.41%
17	67	0	0	3,371,108	5.24%	4.20%	5.61%	5,445,886	8.12%	10.83%
18	68	0	0	3,547,216	5.22%	4.28%	5.70%	5,609,870	7.75%	10.34%
19	69	0	0	3,731,879	5.21%	4.34%	5.79%	5,779,686	7.43%	9.91%
20	70	0	0	3,925,205	5.18%	4.39%	5.86%	5,955,185	7.16%	9.54%
21	71	0	0	4,127,024	5.14%	4.44%	5.92%	6,136,122	6.91%	9.21%
22	72	0	0	4,337,825	5.11%	4.47%	5.97%	6,322,984	6.69%	8.92%
23	73	0	0	4,558,104	5.08%	4.51%	6.01%	6,516,661	6.50%	8.66%
24	74	0	0	4,788,079	5.05%	4.53%	6.04%	6,717,748	6.32%	8.43%
25	75	0	0	5,027,975	5.01%	4.56%	6.08%	6,926,597	6.17%	8.23%
26	76	0	0	5,278,026	4.97%	4.58%	6.10%	7,143,387	6.03%	8.04%
27	77	0	0	5,538,735	4.94%	4.59%	6.12%	7,368,389	5.90%	7.87%
28	78	0	0	5,810,528	4.91%	4.60%	6.14%	7,601,796	5.79%	7.72%
29	79	0	0	6,093,800	4.88%	4.62%	6.15%	7,843,745	5.68%	7.57%
30	80	0	0	6,388,804	4.84%	4.62%	6.17%	8,094,450	5.58%	7.45%
31	81	0	0	6,695,751	4.80%	4.63%	6.17%	8,354,243	5.49%	7.33%
32	82	0	0	7,014,625	4.76%	4.64%	6.18%	8,623,424	5.41%	7.22%
33	83	0	0	7,345,748	4.72%	4.64%	6.18%	8,902,124	5.34%	7.12%
34	84	0	0	7,689,136	4.67%	4.64%	6.19%	9,191,675	5.27%	7.02%
35	85	0	0	8,044,736	4.62%	4.64%	6.19%	9,492,855	5.20%	6.93%
36	86	0	0	8,413,540	4.58%	4.64%	6.18%	9,807,527	5.14%	6.86%
37	87	0	0	8,793,937	4.52%	4.63%	6.18%	10,135,338	5.09%	6.78%
38	88	0	0	9,185,400	4.45%	4.63%	6.17%	10,476,621	5.04%	6.71%
39	89	0	0	9,587,360	4.38%	4.62%	6.16%	10,831,969	4.99%	6.65%
40	90	0	0	9,999,614	4.30%	4.61%	6.15%	11,201,713	4.94%	6.59%
41	91	0	0	10,422,025	4.22%	4.60%	6.14%	11,586,143	4.90%	6.54%
42	92	0	0	10,854,917	4.15%	4.59%	6.12%	11,985,428	4.86%	6.49%
43	93	0	0	11,298,871	4.09%	4.58%	6.10%	12,399,435	4.83%	6.44%
44	94	0	0	11,754,872	4.04%	4.56%	6.08%	12,828,271	4.79%	6.39%
45	95	0	0	12,224,667	4.00%	4.55%	6.07%	13,271,361	4.76%	6.35%
46	96	0	0	12,711,568	3.98%	4.54%	6.05%	13,727,710	4.73%	6.30%
47	97	0	0	13,213,541	3.95%	4.52%	6.03%	14,198,734	4.70%	6.26%
48	98	0	0	13,730,850	3.91%	4.51%	6.01%	14,685,105	4.67%	6.22%
49	99	0	0	14,263,135	3.88%	4.49%	5.99%	15,187,722	4.64%	6.19%
50	100	0	0	14,810,019	3.83%	4.48%	5.97%	15,707,466	4.61%	6.15%

Hypothetical and for illustrative purposes only. Actual results will vary. Please consult a financial, tax or legal professional regarding all financial, tax or legal matters. Page 14 of 16

Projected Retirement Values for Whole Life Insurance at the Current Dividend Rate for Scenario #2: Volatility Buffer										
1	2	3	4	5	6	7	8	9	10	11
End of Policy Year	Attained Age	Annual Premium	Annual Withdrawal and/or Policy Loan	Cash Value	Annual Cash Value Increase	Internal Rate of Return on Cash Value	Pre-Tax Equivalent IRR (@25% Tax)	Death Benefit	Internal Rate of Return on Death Benefit	Pre-Tax Equivalent IRR (@25% Tax)
16	66	0	0	3,203,408	5.25%	4.12%	5.49%	5,287,726	8.56%	11.41%
17	67	0	0	3,371,108	5.24%	4.20%	5.61%	5,445,886	8.12%	10.83%
18	68	0	0	3,547,216	5.22%	4.28%	5.70%	5,609,870	7.75%	10.34%
19	69	0	0	3,731,879	5.21%	4.34%	5.79%	5,779,686	7.43%	9.91%
20	70	0	673,092	3,217,244	-13.79%	4.38%	5.85%	4,881,091	6.74%	8.99%
21	71	0	0	3,382,663	5.14%	4.42%	5.90%	5,029,394	6.55%	8.73%
22	72	0	0	3,555,443	5.11%	4.45%	5.94%	5,182,553	6.37%	8.50%
23	73	0	0	3,735,992	5.08%	4.48%	5.98%	5,341,298	6.22%	8.29%
24	74	0	0	3,924,488	5.05%	4.51%	6.01%	5,506,117	6.08%	8.10%
25	75	0	0	4,121,115	5.01%	4.53%	6.04%	5,677,297	5.95%	7.93%
26	76	0	0	4,326,067	4.97%	4.55%	6.06%	5,854,986	5.83%	7.77%
27	77	0	0	4,539,754	4.94%	4.56%	6.08%	6,039,406	5.72%	7.63%
28	78	0	0	4,762,525	4.91%	4.57%	6.10%	6,230,716	5.63%	7.50%
29	79	0	0	4,994,706	4.88%	4.58%	6.11%	6,429,026	5.54%	7.38%
30	80	0	673,092	4,530,825	-9.29%	4.59%	6.12%	5,740,438	5.35%	7.13%
31	81	0	673,092	4,042,898	-10.77%	4.60%	6.13%	5,049,215	5.20%	6.93%
32	82	0	673,092	3,523,447	-12.85%	4.60%	6.13%	4,499,532	5.14%	6.86%
33	83	0	0	3,682,354	4.51%	4.59%	6.13%	4,623,945	5.09%	6.79%
34	84	0	0	3,846,435	4.46%	4.59%	6.12%	4,752,877	5.04%	6.72%
35	85	0	0	4,015,554	4.40%	4.59%	6.12%	4,886,696	4.99%	6.66%
36	86	0	0	4,190,200	4.35%	4.58%	6.11%	5,026,415	4.95%	6.60%
37	87	0	0	4,369,295	4.27%	4.58%	6.10%	5,171,705	4.91%	6.55%
38	88	0	673,092	3,840,620	-12.10%	4.57%	6.09%	4,610,847	4.87%	6.49%
39	89	0	0	3,986,548	3.80%	4.56%	6.07%	4,725,297	4.83%	6.44%
40	90	0	0	4,133,668	3.69%	4.54%	6.06%	4,843,648	4.80%	6.39%
41	91	0	0	4,281,693	3.58%	4.53%	6.04%	4,965,826	4.76%	6.35%
42	92	0	0	4,430,601	3.48%	4.51%	6.02%	5,091,676	4.73%	6.30%
43	93	0	0	4,580,512	3.38%	4.50%	6.00%	5,220,859	4.69%	6.26%
44	94	0	0	4,731,764	3.30%	4.48%	5.98%	5,353,172	4.66%	6.22%
45	95	0	0	4,885,122	3.24%	4.46%	5.95%	5,488,014	4.63%	6.18%
46	96	0	0	5,042,221	3.22%	4.45%	5.93%	5,624,550	4.60%	6.14%
47	97	0	0	5,201,616	3.16%	4.43%	5.91%	5,763,332	4.57%	6.10%
48	98	0	673,092	4,651,376	-10.58%	4.41%	5.88%	5,192,665	4.54%	6.06%
49	99	0	0	4,773,887	2.63%	4.39%	5.86%	5,294,852	4.51%	6.02%
50	100	0	0	4,895,458	2.55%	4.37%	5.83%	5,397,733	4.48%	5.98%

The logo for CRITES Insurance Group features the word "CRITES" in a large, bold, red serif font. Below it, the words "INSURANCE GROUP" are written in a smaller, grey, all-caps serif font. A thin red horizontal line separates the two words. The entire logo is enclosed within a thin red rectangular border that has small L-shaped notches at the corners.

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