

IRA Conversion Strategy

For
Age 60 \$1M IRA
With Income



Disclaimers

What You Need to Know

- Premier Planning Group does not provide income tax advice.
- Please consult with your CPA or other qualified income tax professional.
- No aspect of the plan lessens your current income tax obligations.
- This presentation is not valid without compliant life insurance proposals.

IRA Conversion Discussion Points

- IRA Accounts enjoy Tax-Deferral, but withdrawals are taxable at ordinary income tax rates.
- Upon death, the value of your IRA becomes taxable to your heirs, as funds are withdrawn over no longer than 10 years.
- If you choose to take IRA distributions over your lifetime, you will generally pay more taxes than if you convert your IRA, at today's tax rates.
- For most Americans, a Roth conversion does not provide much better after-tax performance.
- Repositioning IRA's and 401k's into indexed life insurance can offer you a wide range of benefits.

*Please consult your tax advisor. Life insurance values are not valid without an accompanying compliant carrier illustration.

IRA Optimization Strategy

The industry's highest after-tax benefits from your IRA

The IRA Conversion Strategy optimizes your IRA by repositioning the account over time into a custom-designed Indexed life insurance plan.

The benefits to conversion are as follows:

Lesser Total Income Taxes Paid:

The taxes are generally paid over the first 5 years of the plan, using policy loans, to lessen the impact of paying your taxes early.

Greater After-Tax Distributions:

The future projected policy distributions from your policy will not be subject to income taxes, when properly designed. IRA retirement distributions will be subject to income taxes.

Less investment volatility:

The policy values are not directly invested in the market. The values earn an interest credit based on the movement of the S&P 500, subject to carrier rules and conditions.

*Please consult your tax advisor. Life insurance values are not valid without an accompanying compliant carrier illustration.

IRA Optimization Lifecycle



Fund the plan with your IRA distributions



Taxes associated with conversions can be financed using policy values



Plan values grow tax-deferred



Retirement distributions are tax-free



Policy loan Repaid from death benefits



Death benefits are tax-free



Indexed Life vs. Tax Deferred Accounts

Indexed Life Insurance

- Tax-Free Death Benefit
- Tax-Deferred Growth
- Tax-Free Access Using Loans
- Annual "Lock-In" of Earnings
- 0% Credit When Markets Correct
- Generally Delivers Greater Projected Retirement Distributions

vs

Tax Deferred Investments

- Distributions are Taxable
- Greater Potential Upside
- Greater Potential Downside
- No Death Benefit
- Higher Early Values
- Generally Depletes Sooner as Distributions are Taken

60
30%

Illustration of Plan Values

Year	Age	IRA Balance \$1,000,000	IRA Income Distributions	IRA Distribution for Life Policy	Estimated Income Taxes	Annual Premium	Distribution for Tax	Policy Distribution	After-Tax Income Distributions	Surrender Value Life Policy	Account Value Life Policy	IRA and Policy Account Values	Death Benefit
1	61	\$822,900	\$0	\$220,000	\$66,000	\$154,000	\$66,000	\$0	\$0		\$72,285	\$895,185	\$3,097,728
2	62	\$636,060	\$0	\$220,000	\$66,000	\$220,000	\$0	\$66,000	\$0	\$105,911	\$157,142	\$793,202	\$3,182,585
3	63	\$438,943	\$0	\$220,000	\$66,000	\$220,000	\$0	\$66,000	\$0	\$212,519	\$258,633	\$697,576	\$3,284,076
4	64	\$230,985	\$0	\$220,000	\$66,000	\$220,000	\$0	\$66,000	\$0	\$336,831	\$377,827	\$608,812	\$3,403,270
5	65	\$11,589	\$0	\$220,000	\$66,000	\$220,000	\$0	\$66,000	\$0	\$481,698	\$517,575	\$529,164	\$3,543,018
6	66									\$478,348	\$509,081	\$509,081	\$3,534,524
7	67									\$481,221	\$506,837	\$506,837	\$3,532,280
8	68									\$507,427	\$527,925	\$527,925	\$2,006,602
9	69									\$543,082	\$553,317	\$553,317	\$1,967,891
10	70									\$579,342	\$579,342	\$579,342	\$1,927,380
11	71							\$94,276	\$94,276	\$534,426	\$534,426	\$534,426	\$1,786,326
12	72							\$95,690	\$95,690	\$492,693	\$492,693	\$492,693	\$1,637,233
13	73							\$97,125	\$97,125	\$455,284	\$455,284	\$455,284	\$1,479,704
14	74							\$98,582	\$98,582	\$423,826	\$423,826	\$423,826	\$1,313,327
15	75							\$100,061	\$100,061	\$399,245	\$399,245	\$399,245	\$1,137,665
16	76							\$101,562	\$101,562	\$382,926	\$382,926	\$382,926	\$952,264
17	77							\$103,085	\$103,085	\$378,176	\$378,176	\$378,176	\$756,647
18	78							\$104,632	\$104,632	\$387,687	\$387,687	\$387,687	\$550,646
19	79							\$106,201	\$106,201	\$414,117	\$414,117	\$414,117	\$560,075
20	80							\$107,794	\$107,794	\$457,428	\$457,428	\$457,428	\$616,943
21	81							\$109,411	\$109,411	\$512,751	\$512,751	\$512,751	\$687,033
22	82							\$111,052	\$111,052	\$571,849	\$571,849	\$571,849	\$761,728
23	83							\$112,718	\$112,718	\$633,159	\$633,159	\$633,159	\$839,419
24	84							\$114,409	\$114,409	\$695,982	\$695,982	\$695,982	\$919,406
25	85							\$116,125	\$116,125	\$758,284	\$758,284	\$758,284	\$999,585
26	86							\$117,867	\$117,867	\$826,528	\$826,528	\$826,528	\$1,086,779
27	87							\$119,635	\$119,635	\$900,426	\$900,426	\$900,426	\$1,180,723
28	88							\$121,429	\$121,429	\$980,500	\$980,500	\$980,500	\$1,282,003
29	89							\$123,251	\$123,251	\$1,066,537	\$1,066,537	\$1,066,537	\$1,390,437
30	90							\$125,100	\$125,100	\$1,158,226	\$1,158,226	\$1,158,226	\$1,505,743
31	91							\$126,976	\$126,976	\$1,256,190	\$1,256,190	\$1,256,190	\$1,628,618
32	92							\$128,881	\$128,881	\$1,343,420	\$1,343,420	\$1,343,420	\$1,661,684
33	93							\$130,814	\$130,814	\$1,420,818	\$1,420,818	\$1,420,818	\$1,675,109
34	94							\$132,776	\$132,776	\$1,491,145	\$1,491,145	\$1,491,145	\$1,671,379
35	95							\$134,768	\$134,768	\$1,557,559	\$1,557,559	\$1,557,559	\$1,653,226
36	96							\$136,789	\$136,789	\$1,606,716	\$1,606,716	\$1,606,716	\$1,708,009
37	97							\$138,841	\$138,841	\$1,661,348	\$1,661,348	\$1,661,348	\$1,768,581
38	98							\$140,924	\$140,924	\$1,721,772	\$1,721,772	\$1,721,772	\$1,835,274
39	99							\$143,038	\$143,038	\$1,788,161	\$1,788,161	\$1,788,161	\$1,908,278
40	100							\$145,183	\$145,183	\$1,860,467	\$1,860,467	\$1,860,467	\$1,987,557

\$3,538,995

Cumulative Through Age 100

Hypothetical Compare: IRA to Optimus Life Designs

Age	60	IRA Hypothetical						OPTIMUS				
Year	Age	Funding	Taxable Distribution	Tax Rate: 30% Taxes	Net Income	Account Value	Death Benefit	Net Distributions	IRA Account Value	Life Insurance Account Value	Death Benefit	Policy Benefit Plus IRA
1	61	\$1,000,000				\$1,055,000	\$738,500	\$0	\$822,900	\$72,285	\$3,097,728	\$3,673,758
2	62					\$1,113,025	\$779,118	\$0	\$636,060	\$157,142	\$3,182,585	\$3,627,827
3	63					\$1,174,241	\$821,969	\$0	\$438,943	\$258,633	\$3,284,076	\$3,591,336
4	64					\$1,238,825	\$867,177	\$0	\$230,985	\$377,827	\$3,403,270	\$3,564,959
5	65					\$1,306,960	\$914,872	\$0	\$11,589	\$517,575	\$3,543,018	\$3,551,130
6	66					\$1,378,843	\$965,190			\$509,081	\$3,534,524	\$3,534,524
7	67					\$1,454,679	\$1,018,275			\$506,837	\$3,532,280	\$3,532,280
8	68					\$1,534,687	\$1,074,281			\$527,925	\$2,006,602	\$2,006,602
9	69					\$1,619,094	\$1,133,366			\$553,317	\$1,967,891	\$1,967,891
10	70					\$1,708,144	\$1,195,701			\$579,342	\$1,927,380	\$1,927,380
11	71		\$134,680	\$40,404	\$94,276	\$1,660,005	\$1,162,004	\$94,276		\$534,426	\$1,786,326	\$1,786,326
12	72		\$136,700	\$41,010	\$95,690	\$1,607,087	\$1,124,961	\$95,690		\$492,693	\$1,637,233	\$1,637,233
13	73		\$138,750	\$41,625	\$97,125	\$1,549,095	\$1,084,367	\$97,125		\$455,284	\$1,479,704	\$1,479,704
14	74		\$140,831	\$42,249	\$98,582	\$1,485,718	\$1,040,003	\$98,582		\$423,826	\$1,313,327	\$1,313,327
15	75		\$142,944	\$42,883	\$100,061	\$1,416,627	\$991,639	\$100,061		\$399,245	\$1,137,665	\$1,137,665
16	76		\$145,089	\$43,527	\$101,562	\$1,341,473	\$939,031	\$101,562		\$382,926	\$952,264	\$952,264
17	77		\$147,264	\$44,179	\$103,085	\$1,259,890	\$881,923	\$103,085		\$378,176	\$756,647	\$756,647
18	78		\$149,474	\$44,842	\$104,632	\$1,171,488	\$820,042	\$104,632		\$387,687	\$550,646	\$550,646
19	79		\$151,716	\$45,515	\$106,201	\$1,075,860	\$753,102	\$106,201		\$414,117	\$560,075	\$560,075
20	80		\$153,991	\$46,197	\$107,794	\$972,572	\$680,800	\$107,794		\$457,428	\$616,943	\$616,943
21	81		\$156,301	\$46,890	\$109,411	\$861,165	\$602,816	\$109,411		\$512,751	\$687,033	\$687,033
22	82		\$158,646	\$47,594	\$111,052	\$741,158	\$518,811	\$111,052		\$571,849	\$761,728	\$761,728
23	83		\$161,026	\$48,308	\$112,718	\$612,039	\$428,428	\$112,718		\$633,159	\$839,419	\$839,419
24	84		\$163,441	\$49,032	\$114,409	\$473,271	\$331,290	\$114,409		\$695,982	\$919,406	\$919,406
25	85		\$165,893	\$49,768	\$116,125	\$324,284	\$226,999	\$116,125		\$758,284	\$999,585	\$999,585
26	86		\$168,381	\$50,514	\$117,867	\$164,477	\$115,134	\$117,867		\$826,528	\$1,086,779	\$1,086,779
27	87		\$164,477	\$49,343	\$115,134			\$119,635		\$900,426	\$1,180,723	\$1,180,723
28	88							\$121,429		\$980,500	\$1,282,003	\$1,282,003
29	89							\$123,251		\$1,066,537	\$1,390,437	\$1,390,437
30	90							\$125,100		\$1,158,226	\$1,505,743	\$1,505,743
31	91							\$126,976		\$1,256,190	\$1,628,618	\$1,628,618
32	92							\$128,881		\$1,343,420	\$1,661,684	\$1,661,684
33	93							\$130,814		\$1,420,818	\$1,675,109	\$1,675,109
34	94							\$132,776		\$1,491,145	\$1,671,379	\$1,671,379
35	95							\$134,768		\$1,557,559	\$1,653,226	\$1,653,226
36	96							\$136,789		\$1,606,716	\$1,708,009	\$1,708,009
37	97							\$138,841		\$1,661,348	\$1,768,581	\$1,768,581
38	98							\$140,924		\$1,721,772	\$1,835,274	\$1,835,274
39	99							\$143,038		\$1,788,161	\$1,908,278	\$1,908,278
40	100							\$145,183		\$1,860,467	\$1,987,557	\$1,987,557

\$1,000,000

\$2,579,606

\$773,882

\$1,805,724



\$3,538,995

IRA Summary Values

Hypothetical IRA & Life Insurance Policy Performance Snapshot

IRA Value

Pre-Tax Value of IRA:	Estimated Taxes Upon Liquidation	After-Tax Value of IRA:
\$1,000,000	\$300,000	\$700,000

Distributions

Initial Annual After-Tax Distributions:	Year Distributions Begin	Distributions Thru Age 100
\$94,276	11	\$3,538,995

Death Benefits

Initial Death Benefit:	Death Benefit at age 100:
\$3,673,758	\$1,987,557

Total After-Tax Distributions & Death Benefits

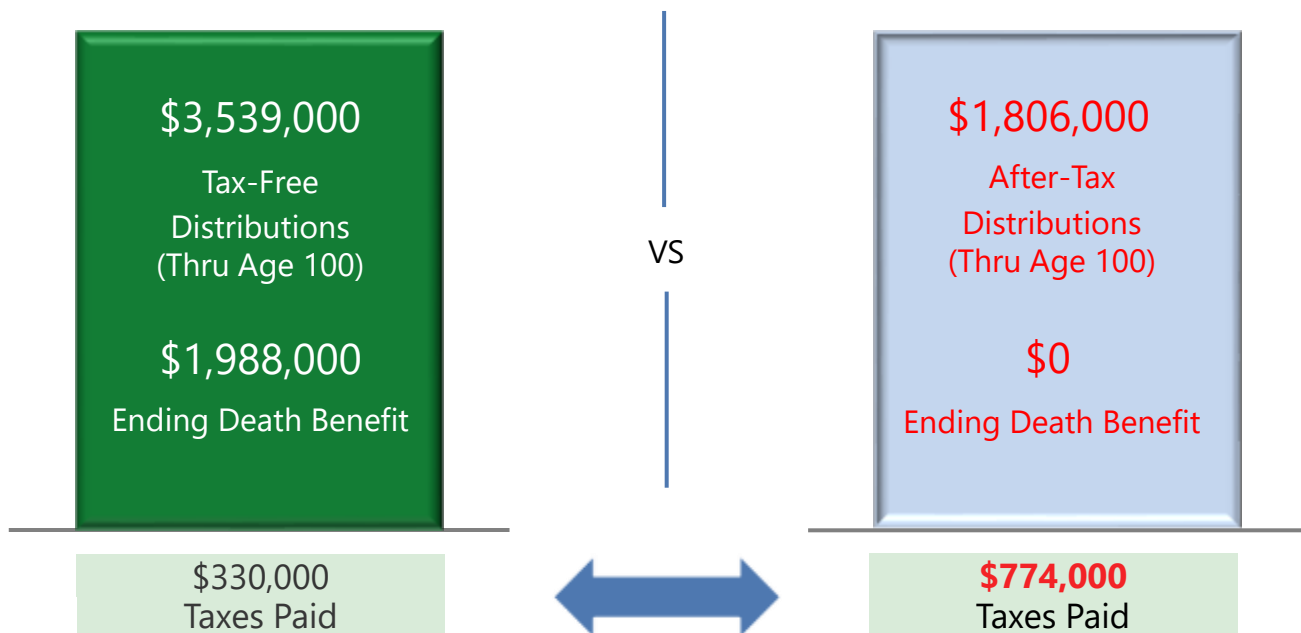
Year 1	Age 75	Age 80	Age 85	Age 90	Age 95	Age 100
\$3,673,758	\$1,623,399	\$1,625,951	\$2,572,308	\$3,685,748	\$4,487,446	\$5,526,552

Compare to Tax Deferred Accounts

\$1,000,000 Pre-Tax IRA Value
\$700,000 After Tax IRA Value

Life Insurance Plan
5.41% Gross

Hypo 5.5% Net
Tax-Deferred Account



Distributions depend upon policy performance and are not guaranteed. See policy illustration for details.

The Art of Life Insurance Plan Design



Premium Savings

Shorter premium durations



Flexibility

Adjust premiums
Generate tax-free income



Build Equity

Enjoy access to cash values



No Bank Loan

You own your cash
– not a bank
No collateral required



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