

SAMPLE STRATEGY WORKSHEET

03

Strategy Worksheet

Hypothetical Input
Current Age

"Strategy Alternative"

Hypothetical Output
Retirement Age
*State Specific

①

Vehicle Insurance	Property Insurance	Liability Insurance ③ * DB/CV Protected
Disability Insurance ④ Waiver of Premium	Medical Insurance ⑤ ADB	Government Plans ⑧ CV does not count
Wills & Documents ⑥ Bypass Probate	Trusts & Ownership ⑦ DB for Estate Liquidity	Life Insurance \$ Perm DB

Deferred Benefit

\$ "Asset Ins" in Retirement

⑫

Loan

WCA/Checking ⑪ Dividends	Savings PUA Premium Cash Term	Credit Union Loan % Loan PRIN
Savings Bonds	Certificates	Money Market
Tax Deferred ⑨ CV	Tax Free	Tax Deductible

Deferred Tax

\$ "Non-Market Source of Income" in Retirement

②

Term
Premium
Recapture/
Avoidance

Government Bonds	Corporate Bonds LOC %	Municipal Bonds
Preferred Stocks	Bluechip Stocks	Growth Sector
Collectibles	Real Estate	Business/Shelters

Deferred Tax

\$

⑩

Tax
Recapture/
Avoidance

\$
Total Hypothetical Input

\$
Total Hypothetical Output

1. Change the “Entry Point” of the money the client is “Saving as the Difference” to drawer P9 (Life Insurance) and enter the amount of permanent death benefit it buys in Year 1 of the policy. Draw an arrow out to the right from this drawer with the projected death benefit at retirement age.
2. All or a portion (depending on how much permanent life insurance the strategy buys) of the premium for their term life insurance is moved to one of the growth drawers (typically drawer G6) as a “Term and LOC (Lost Opportunity Cost) Avoidance/Recapture.”
3. Highlight drawer P3 as their life insurance death benefit and cash value are fully protected from lawsuit (this may differ depending on the state).
4. Highlight the disability waiver of premium benefit of the life insurance contract in drawer P4.
5. Highlight drawer P5 since the accelerated death benefit provision of the life insurance contract is available to help pay benefits for chronic, terminal, and long-term care occurrences.
6. Highlight drawer P7 since a life insurance death benefit payout bypasses probate.
7. Highlight drawer P8 since permanent life insurance (unlike term insurance) has a death benefit that will be there for the client’s entire life and that their heirs can count on and use for any future estate costs.
8. Highlight drawer P6 since the values in permanent life insurance do not count against your eligibility for certain government sponsored benefits.
9. Highlight drawer S7 and write “Life Ins CV (Cash Value)” inside the drawer. Draw an arrow out to the right from this drawer with the projected cash value at retirement age from the associated life insurance policy illustration.
10. Since the “Life Ins CV (Cash Value)” grows tax deferred, there may be an opportunity to avoid/recapture taxes and LOC (Lost Opportunity Costs) in the future (typically drawer G6)
11. Draw a line from the (Life Ins CV (Cash Value))” in drawer S7 to drawer S1 and then write dividends in drawer S1. This gives you the opportunity to introduce and discuss all the different insurance policy dividend options available to the client.
12. Somewhere to the left of drawer S7, draw a box and write the word “Loan” inside the box to educate the client that they can use their life insurance cash value as collateral to borrow money from the life insurance company.