

# FINANCIAL READINESS

BY THE NUMBERS

## STRATEGIES FOR REACHING YOUR SPECIFIC GOALS.

### LIFE INSURANCE FOR COLLEGE SAVINGS

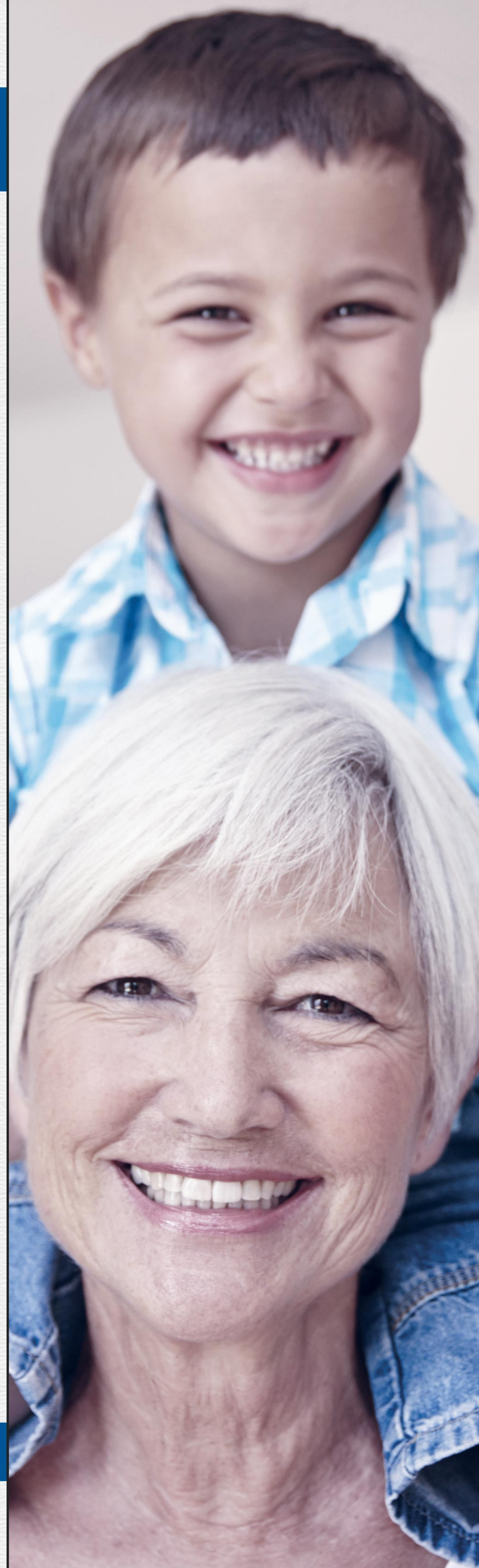
You may already know that life insurance may help provide protection for your family and estate, but did you also know that life insurance can potentially help fund an education?

*Review the hypothetical case study for a look at one way you can utilize life insurance for college-related expenses.*

#### **BETTY'S HYPOTHETICAL STORY:**

Betty Johnson, age 70, would like to support a future education for her grandson Jason who is currently five years old.

◀ **FLIP TO SEE THE NUMBERS** ○



## THE HYPOTHETICAL SOLUTION:

Betty chooses to contribute an annual gift of \$14,000 to provide Jason with a life insurance policy that he can use to fund four years of college by the time he turns 18.

### The policy's parameters include:

- Standard non-tobacco
- Level death benefit
- Minimum death benefit solve
- Illustration rate = 6.80 percent

## THE HYPOTHETICAL NUMBERS:

<b>FUNDING</b> <small>.....</small> 12 YEAR PERIOD	<b>\$14,000 A YEAR X 12 YEARS</b> <hr/> <b>\$168,000 TOTAL LIFE INSURANCE PREMIUM PAID</b>
<b>CASH VALUE ACCESS</b> <small>.....</small> 4-YEAR POLICY LOAN	<b>\$20,000 A YEAR X 4 YEARS</b> <hr/> <b>\$80,000 TOTAL POTENTIAL WITHDRAWN</b>
<b>ACCUMULATION</b> <small>.....</small> 20-YEAR PERIOD (VALUE AT AGE 25)	<b>\$241,115</b>

## HYPOTHETICAL DEATH BENEFIT:

DEATH BENEFIT VALUE AT ISSUE	DEATH BENEFIT PRIOR TO LOAN. (YEAR 12)	DEATH BENEFIT VALUE AT AGE 25
<b>\$962,156</b>	<b>\$1,899,214</b>	<b>\$1,873,885</b>

*Over a period of four years, Jason could hypothetically be able to access cash value policy loans in the amount of \$20,000 per year to finance a portion of his college expenses. After taking the loans, he'll still be left with a \$1,873,885 death benefit at age 25 and potential for cash value access that he can use to help supplement financial goals later in life.*

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**Interested in how this scenario can work for your situation?  
 Contact me today!**



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