Achieving Maximum Wealth with Maximum Security

Introduction

This presentation contains unique information that will be used to illustrate the **power** and **security** of using **Revolutionary Life (RL)** as a wealth building tool.

Are you ready for a wealth building tool with the following characteristics?

-**No downside risk** when the stock market goes negative?

One of the biggest concerns of the American public is losing money in the stock market due to negative returns. When you build wealth through **RL**, your money will NOT go backwards due to negative stock market returns.

-**Gains that track the S&P 500**

Mutual fund studies* indicate that the average mutual fund investor has earned **less than 3.7%** a year over the last 20 years even though the average mutual fund returned in excess of **8%** and the **S&P 500 returned over 10%**. When building wealth with **RL**, the growth of your money will track the best stock index (the S&P 500)** with NO risk of loss due to downturns in the stock market.

-**Tax Free Growth/Tax Free Retirement Cash Flow**

When building wealth with **RL**, your money is allowed to **grow tax-free** and can be **removed tax-free** when in retirement***.

-**Protection for your family**

While **RL** is structured with the minimum death benefit so as to maximize wealth accumulation, with every plan, you will have a death benefit that will pay INCOME-TAX free to your heirs. Therefore, **RL** is a **self-completing** retirement vehicle that will protect your family should you pass away prior to complete funding of the plan.

(*DALBAR)
(**S&P 500 returns do not include dividends and are capped (currently at 15% annually)
(***When properly structured, your money is available tax-free shortly after funding RL, however, for best results it is best to let the money grow for at least five years, TEN YEARS IS RECOMMENDED).

Comparing Revolutionary Life (RL) to Traditional Wealth Building

How do you traditionally build wealth?

If you are like most, you try to place your wealth in financial vehicles that will give you the best chance to succeed. For the vast majority of Americans, that "**best place**" to succeed is the stock market and more specifically mutual funds.

What's the problem with building wealth in the traditional manner through mutual funds?

-**The stock market provides NO DOWNSIDE PROTECTION.**

As most people found out from 1998-2000; when the stock market declines significantly, so does your account value. The S&P 500 stock index went down nearly **40%** over that time frame. While you can earn significant gains in the stock market, you can also lose significant amounts of money that you may not be able to afford to lose (or would rather not if you had a better alternative).

-**The stock market is a TAX-HOSTILE environment**.

When you grow wealth in the stock market, you have to deal with the realities of paying **dividend** and **capital gains taxes**.

-**Mutual funds are EXPENSIVE** (whether they go up or down).

Depending on the studies you read, the average mutual fund expense ranges between **1.2%-1.5%** a year. This fee is charged whether your account value increase or decreases.

-**It's tough to predict which funds or stocks will do well and when they will do well**.

See the following example.

Comparing Revolutionary Life (RL) to Traditional Wealth Building

Which one of the following stocks would you have purchased back in 2003?

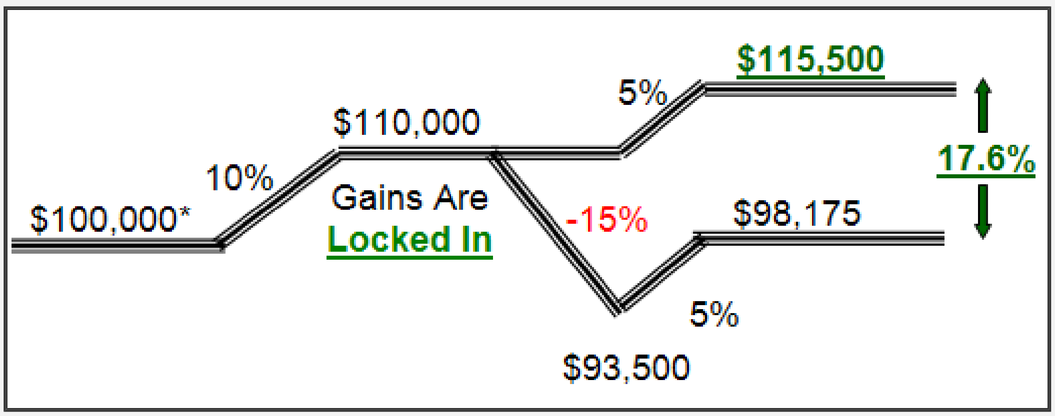
Walmart
-One of largest companies in the world
-Consistent earner
-Pays dividends

K-Mart
-Just emerging from bankruptcy
-Big marketing tie to Martha Stewart
-No anticipated dividends

Walmart		K-Mart
$56.08	**Stock Price July 11, 2003**	**$24.20**
$51.76	**Stock Price July 11, 2004**	**$76.80**

Which one would you have chosen? Most people would have opted for Walmart and lost money verses buying K-Mart and earning significant gains.

The following example is why you should use RL to build wealth



RL locks in the gains in up years and does not participate in the down years like money "at risk" in an actively traded account.

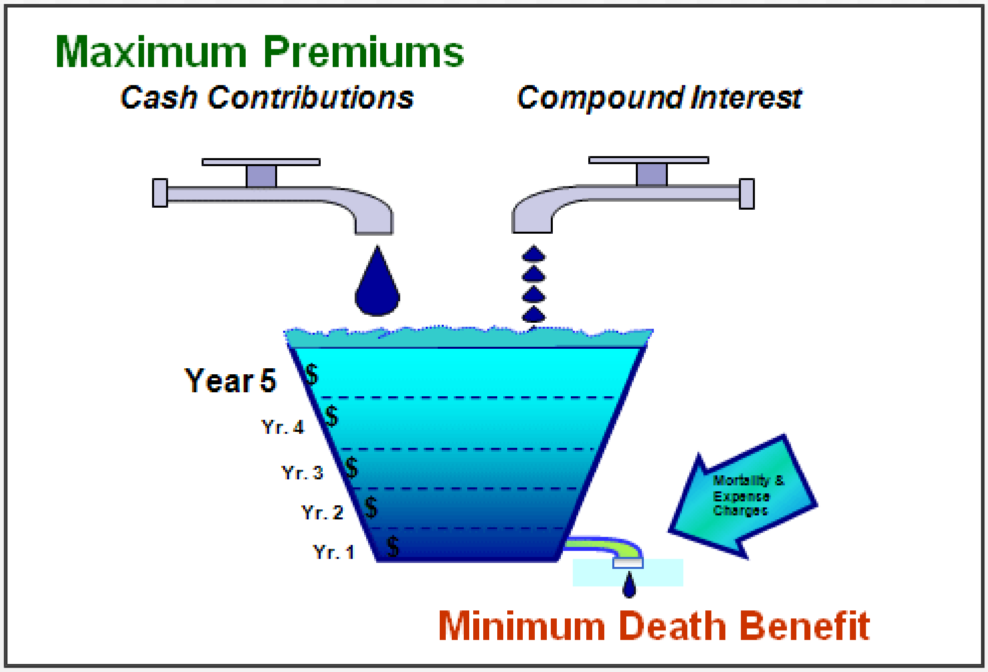
Summary comparison between growing wealth in the market vs. RL

Stock Market
-Expensive (regardless of returns)
-Tax-Hostile
-Lack consistent results

Revolutionary Life
-Money does not go backwards due to market returns
-Locks in gains (pegged to the S&P 500**)
-Tax-free growth & withdrawals
-Provides family protection

(*$100,000 equals the RL cash account value. This example is for illustrative purposes only. Your advisor will provide you with a unique illustration for your particular situation)
(**Gains do not include dividends and are capped (currently at 15% annually))

Maximum Funding with Minimum Expenses



Properly Funding RL for Maximum Wealth

-**Policy design is critical**.

-Funding should occur over a minimum of five years.

-This will help keep costs at a minimum and allow the maximum amount of wealth to grow inside the policy.

-Cash inside a RL policy **grows tax-free*** and can be **removed tax-free**** in retirement.

*(No capital gains or dividend taxes on gains)
**(No income taxes when removed in retirement with a proper design)

Your Profile Summary

Name: test client
Address: , , WA
Phone:
E-mail:

Total Income annually after tax: $0

Total annual expenses: $0

Surplus: $0

Home Value: $0	Debt: $0	Equity: $0
Type of loan:	Interest rate: 0.000%	Home Payment: $0

Liquid Investments: $0

Based on your profile, you could fund $15,000.00 for 21 years into a Revolutionary Life insurance policy for wealth building.

The comparison to follow will illustrate how much wealth could be created using **RL** vs. typical wealth building in the stock market using mutual funds.

The following assumptions are used for this example:

Assume a "gross" rate of return in both **mutual funds** and **RL** = 7.500%

Annual expenses in mutual funds:

20.000% blended dividend and capital gains taxes

1.200% Mutual fund internal expense

0.000% Money management fee

Expenses in RL

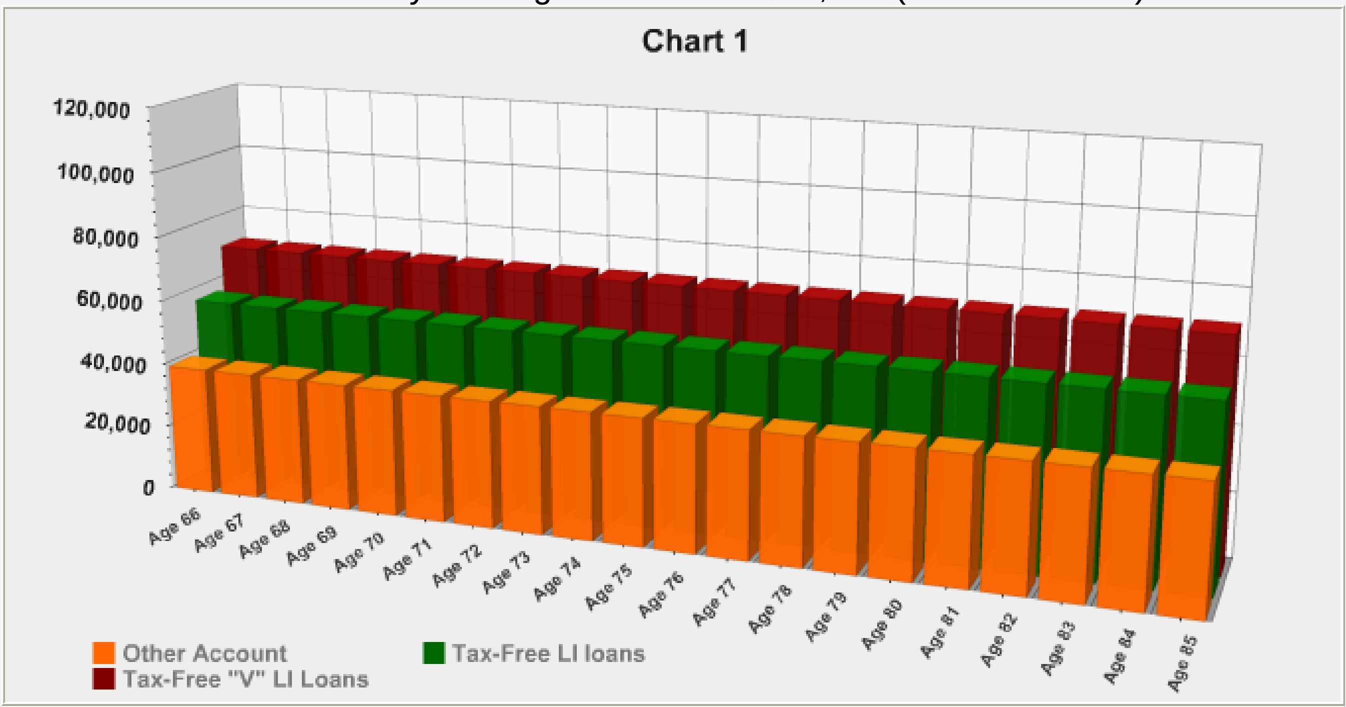
Your **RL** policy illustration has been created using the minimum death benefit allowed by law so you can remove money from it tax-free in retirement. The numbers you will see in the following illustration are net numbers after ALL expenses have been taken out of the policy.

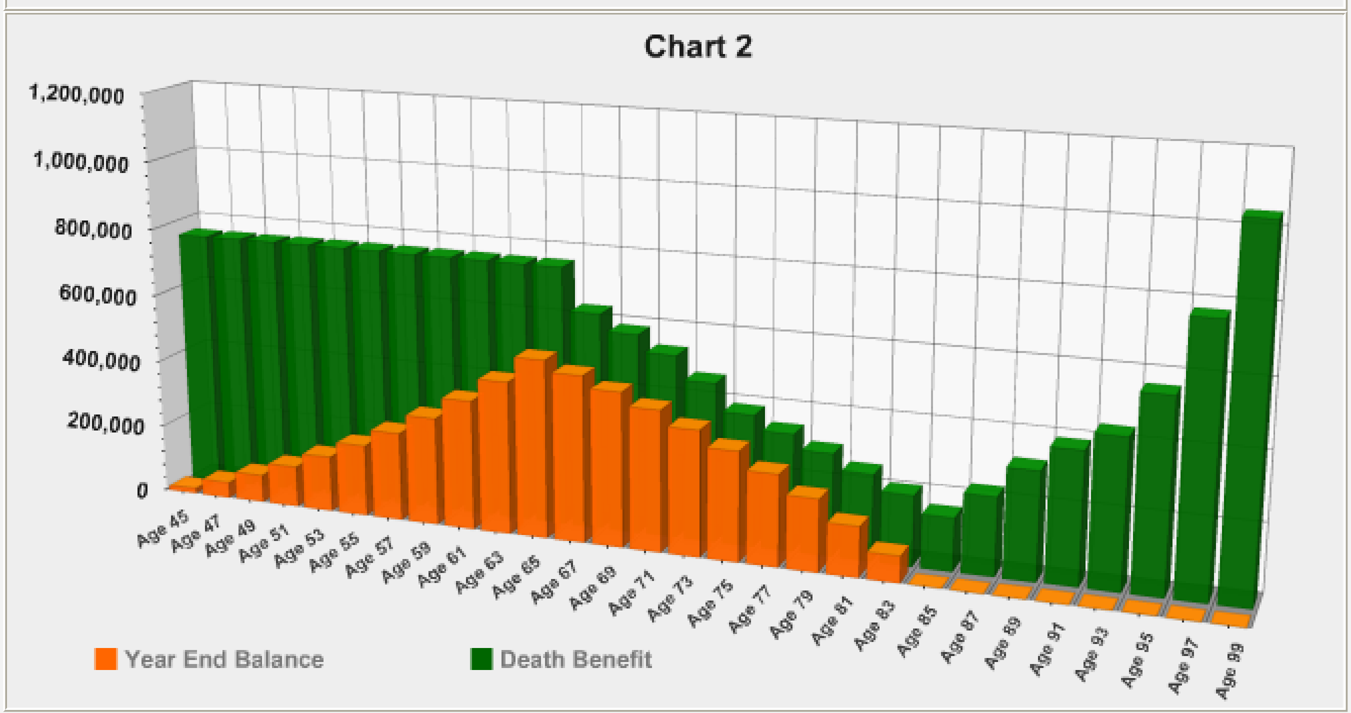
The goal with the example is to illustrate the difference in your net after-tax retirement income when comparing traditional wealth building to **RL**.

For the following illustration it is assumed that you will remove the maximum amount of money from both your mutual fund(s) after-tax and from **RL** AFTER-TAX from ages 66 to 85.

Financial Outcome

From mutual funds every year from ages 66 to 85 = $39,440
From RL every from ages 66 to 85 = $56,568 (Wash Loans)
From RL every from ages 66 to 85 = $70,374 (Variable Loans)





Explaining the Charts

In Chart 1 you see orange, green and maroon, bars.

Orange equals the amount of money that can be removed after taxes and expenses from mutual funds leaving an account value of zero after the final withdrawal.

Green equals the amount of money that can be removed after taxes and expenses from **RL**. With **RL** the policy is designed as illustrated to leave enough cash in the policy to pay expenses until age 100.

Maroon equals the amount of money that can be removed after taxes and expenses from **RL** with a **variable loan spread** used in the withdrawal period.

In Chart 2 you see only orange and green bars.

Orange equals the amount of wealth that will pass to your heirs upon your death when building wealth through mutual funds.

Green equals the amount of wealth that will pass to your heirs tax-free upon your death in any given year.

With a properly designed RL policy, your heirs should almost **always receive either more or significantly more** wealth no matter when you pass away as compared to the wealth that will pass via similarly funded mutual funds.

Wash Loans vs. Variable Loans

A feature that makes building wealth through **RL** unique is the ability to use a variable loan feature when removing cash tax-free in retirement. With variable loans, you can actually make **money on the money borrowed** from your policy (which is why the MAROON – put in color like the rest-bars in the chart show significantly more money available to you TAX-FREE in retirement).

A complete explanation of variable loans is outside the scope of this presentation and can be read about in complete detail in The Home Equity Management Guidebook starting on page 136.

Tax-free loans from a properly structured policy are paid back at death through a reduction in the death benefit.

Summary

Determining what financial instrument to build wealth for retirement is one of the most difficult and important decisions you can make.

It is recommended that if you like a wealth building tool with the following characteristics, then you should move forward to use Revolutionary Life as one of your wealth building tools:

- **No Downside Risk** due to market forces
- **Good upside growth** potential pegged to the S&P 500 index
- **Annual locking features** on the gains
- **Tax-free growth** and **tax-free retirement cash flow**

Finally, using **RL** will provide the above features and also provide your family with a nice death benefit to complete your wealth building plan should you pass away prior to complete funding.