



Build your
financial
freedom

with the Life Income PlanSM



The Genesis

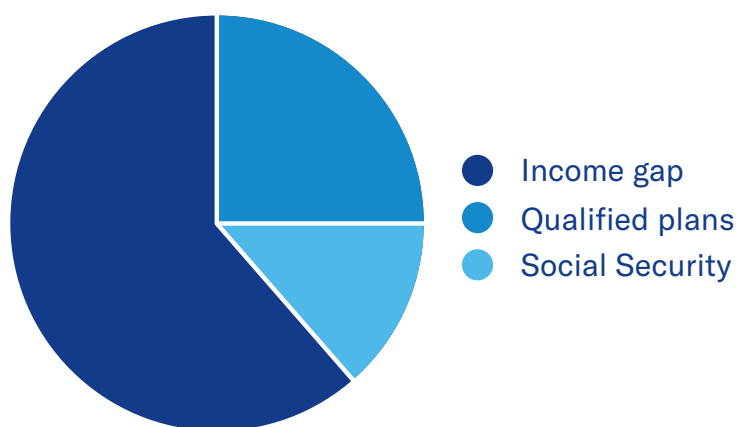
The Life Income PlanSM (LIPSM) was created and servicemarked by CES, and launched in 2007. LIPSM uses cash value corporate-owned life insurance products to create a custom-designed income strategy to potentially help executives, professionals and high-net-worth individuals enhance accumulation and distribution of supplemental retirement funds in a tax-advantaged manner.

The retirement income gap

You've worked hard your entire career, and your retirement should reflect the level of success you've achieved. However, due to your above-average income, you may face strict contribution limits on qualified plans and even be excluded from Roth IRAs and other popular savings programs, causing a significant income gap at retirement.

Desired retirement income

LIPSM is designed as an attractive strategy to help close the retirement income gap.





LIPSM design

The Life Income PlanSM design provides the path for executives and professionals to have direct access to, and ownership of, corporate-owned life insurance products and pricing.

- Accumulation-focused
- Minimum statutory guideline life insurance death benefits
- Significant early cash surrender values and access without penalties (see first Q&A)
- Creditor protection (in many states)
- Secure web-based service platform
- Certain tax advantages



How LIPSM works

LIPSM premiums are paid into corporate-owned fixed or variable universal life insurance policies with the defining characteristics of:

In addition to paying for death benefit protection, your premiums help build cash value.

Corporate-owned life insurance (COLI) policies may positively differ from the load and expense structures of retail life insurance.

The executive determines asset allocation.

While cash surrender values are not guaranteed, COLI targets 97%-107% of first-year cash surrender values based on market performance and other factors.

Cash values accumulate on a tax-deferred basis and can be structured for tax-advantaged access and distribution, assuming policy loans after withdrawals of the policyowner's basis.¹

There are no direct surrender charges.

Creditor protection exists in many states.

LIPSM is a flexible program

- Within the parameters of your policy design, you control the frequency of premium payments and withdrawals, which allows you to better tailor your income and retirement income needs.
- No age 59½ penalties on withdrawals based on current tax laws. For more complete information, see the policy's current prospectus.²
- Policy surrender may occur anytime for the cash surrender value.²
- You can build policy cash values out of the life insurer's general assets (fixed permanent life insurance) or through a variety of managed investment options (variable life insurance) subject to market risk.

Frequently asked questions

These questions and answers will help you understand LIPSM more thoroughly. Additional information is available from CES and from approved representatives.

Why should I consider LIPSM?

LIPSM uses cash value corporate-owned variable universal life insurance that tends to offer significant cash values in the early policy years because of its general lack of surrender charges and in the event of a full policy surrender within a certain number of years, some policy charges may be refunded. These policies often include a minimum guideline death benefit and are structured to minimize death benefit expense, yet retain the integrity of life insurance and the tax-deferral benefits.

What is variable universal life insurance?

It is a contractual agreement in which premiums are paid to an insurance company, and the company, in return for those premiums, provides a benefit to a named beneficiary on proof of the insured's death and a policy cash value. Amounts in the policy's cash value are invested in a variety of variable investment options. Amounts in a variable life insurance policy's variable investment options are subject to fluctuations in value and market risk, including loss of principal. Life insurance policies have exclusions, limitations and terms for keeping the policies in force. Fees and charges associated with variable universal life insurance include mortality and expense risk charges, cost of insurance charges, surrender charges, administrative fees, investment management fees and charges for optional benefits. Please see the policy's prospectus for more complete information.

What variable investment options are available for the subaccounts of the variable universal life insurance policies?

The corporate variable universal life policies may offer a variety of subaccounts available from several notable fund families. The list of subaccount investment options varies based on carrier selection.

Variable life insurance is offered by prospectus. For a prospectus with more complete information, including investment objectives, risks, charges and expenses, please contact your financial professional and read the prospectus carefully before investing or sending money.

Can I change my annual premium payments?

LIPSM is a flexible pay plan that allows you to vary annual premiums paid into the life insurance policy. In most situations, it is better to design the initial plan with an intended strategy for premium funding.

Where is the life insurance policy for LIPSM underwritten?

Life insurance policies are underwritten by some of the most highly rated, recognized and financially stable life insurance companies in the industry using a cash value corporate-owned variable universal life insurance policy. Carrier selection is driven by design needs, product and carrier strength.³

Is there a corporate-owned fixed interest universal life insurance policy available?

Yes, however fixed interest policies may require a larger premium threshold for access, and may or may not be available for individual ownership based on carrier guidelines.

The **Life Income PlanSM** was designed to help you meet your accumulation goals in order to retire on a significant percentage of your final income, while providing valuable life insurance protection at the same time.

Call CES at **(888) 221-2294** or visit **ces-home.com** for a no-cost data profile form.

- 1 Loans and withdrawals reduce the policy's cash value and death benefit, and withdrawals in excess of the policy's basis are taxable. Under current rules, loans are free of income tax as long as the policy remains in effect until the insured's death, at which time the loan will be satisfied from income tax-free death benefit proceeds, and, if the policy is surrendered, any loan balance will generally be viewed as distributed and taxable.
- 2 The executive or professional should consult their own tax professional regarding tax treatment of any gains within, and withdrawals from, the life insurance policy's cash value.
- 3 Claims assumptions and benefits are based on the claims-paying ability of the selected life insurance carrier.

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