

An Equity Account vs. IUL

Presented By: AgencyOne

Insured: Valued Client

Comparison of Values

		Equity Account Growth 6.00%	Income Tax Rate 35.00%	Composite Capital Gains Tax Rate* 30.50%	Portfolio Turnover 25.00%	IUL Interest Rate 6.00%			
		Equity Account*			IUL				
Year	Male Age	(1) Annual Deposit to the Account	(2) After Tax Cash Flow from the Account	(3) Year End Account Value	(4) Policy Premium	(5) After Tax Policy Loan Proceeds	(6) Year End Accum Value**	(7) Year End Surrender Value**	(8) Death Benefit
1	43	50,000	0	52,375	50,000	0	45,596	26,610	908,200
2	44	50,000	0	107,099	50,000	0	94,903	75,917	957,507
3	45	50,000	0	164,170	50,000	0	147,104	128,118	1,009,708
4	46	50,000	0	223,609	50,000	0	202,373	185,760	1,064,977
5	47	50,000	0	285,455	50,000	0	260,894	246,655	1,123,498
6	48	50,000	0	349,758	50,000	0	322,884	311,018	1,185,488
7	49	50,000	0	416,582	50,000	0	388,608	379,115	1,185,488
8	50	0	0	433,625	0	0	408,418	401,298	1,147,144
9	51	0	0	450,994	0	0	429,537	424,790	880,528
10	52	0	0	468,778	0	0	451,655	449,634	772,329
11	53	0	0	487,049	0	0	478,335	478,335	784,470
12	54	0	0	505,870	0	0	506,612	506,612	795,381
13	55	0	0	525,296	0	0	536,567	536,567	804,851
14	56	0	0	545,374	0	0	568,293	568,293	829,708
15	57	0	0	566,149	0	0	601,891	601,891	854,685
16	58	0	0	587,661	0	0	639,308	639,308	882,245
17	59	0	0	609,950	0	0	679,002	679,002	909,863
18	60	0	0	633,052	0	0	721,124	721,124	937,461
19	61	0	0	657,005	0	0	765,805	765,805	980,230
20	62	0	0	681,847	0	0	813,216	813,216	1,024,652
21	63	0	0	707,615	0	0	863,533	863,533	1,070,781
22	64	0	0	734,347	0	0	916,919	916,919	1,118,641
23	65	0	0	762,080	0	0	973,729	973,729	1,168,475
24	66	0	0	790,855	0	0	1,033,975	1,033,975	1,230,431
25	67	0	0	820,712	0	0	1,097,865	1,097,865	1,295,481
26	68	0	0	851,692	0	0	1,165,614	1,165,614	1,363,769
27	69	0	0	883,840	0	0	1,237,458	1,237,458	1,435,451
28	70	0	118,584	789,097	0	118,584	1,191,905	1,191,905	1,370,691
29	71	0	118,584	690,775	0	118,584	1,143,588	1,143,588	1,292,255
30	72	0	118,584	588,741	0	118,584	1,098,048	1,092,282	1,213,067
		350,000	355,752		350,000	355,752			

*See the accompanying reports entitled "Equity Account Details" and "Portfolio Turnover Details" for year-by-year equity calculation and turnover details.

Management fees reflected in column (3): 0.75%

**This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a proposal from Nationwide.

30 Year Summary

	Equity Account	IUL
After Tax Payments	350,000	350,000
After Tax Cash Flow	355,752	355,752
Living Values	588,741	1,092,282
Death Benefit	588,741	1,213,067

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		Equity Account*			IUL				
Year	Male Age	(1) Annual Deposit to the Account	(2) After Tax Cash Flow from the Account	(3) Year End Account Value	(4) Policy Premium	(5) After Tax Policy Loan Proceeds	(6) Year End Accum Value**	(7) Year End Surrender Value**	(8) Death Benefit
31	73	0	118,584	482,856	0	118,584	1,164,213	1,037,772	1,142,551
32	74	0	118,584	372,975	0	118,584	1,230,597	979,860	1,066,002
33	75	0	118,584	258,946	0	118,584	1,297,141	918,380	983,237
34	76	0	118,584	140,613	0	118,584	1,363,296	852,670	920,835
35	77	0	118,584	17,815	0	118,584	1,429,377	782,930	854,399
36	78	0	17,113	0	0	118,584	1,494,984	708,641	783,390
37	79	0	0	0	0	118,584	1,559,925	629,490	707,486
38	80	0	0	0	0	118,584	1,623,986	545,134	626,334
39	81	0	0	0	0	118,584	1,686,870	455,151	539,494
40	82	0	0	0	0	118,584	1,748,287	359,114	446,528
41	83	0	0	0	0	118,584	1,808,014	256,663	347,064
42	84	0	0	0	0	118,584	1,865,640	147,247	240,529
43	85	0	0	0	0	0	1,922,926	152,981	249,127
44	86	0	0	0	0	0	1,981,401	158,358	257,428
45	87	0	0	0	0	0	2,040,936	163,201	265,248
46	88	0	0	0	0	0	2,101,478	167,411	272,485
47	89	0	0	0	0	0	2,162,686	170,598	278,732
48	90	0	0	0	0	0	2,224,330	172,479	283,695
49	91	0	0	0	0	0	2,288,503	175,096	266,636
50	92	0	0	0	0	0	2,355,583	178,773	249,441
		350,000	965,785		350,000	1,778,760			

*See the accompanying reports entitled "Equity Account Details" and "Portfolio Turnover Details" for year-by-year equity calculation and turnover details.

Management fees reflected in column (3): 0.75%

**This illustration assumes the nonguaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a proposal from Nationwide.

50 Year Summary

	Equity Account	IUL
After Tax Payments	350,000	350,000
After Tax Cash Flow	965,785	1,778,760
Living Values	0	178,773
Death Benefit	0	249,441

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Details of Portfolio Turnover

		Equity Account Growth 6.00%	Income Tax Rate 35.00%	Composite Capital Gains Tax Rate* 30.50%	Turnover Assumption 25.00%						(11)** Year End Value of Account After Turnover	
Yr	Male Age	(1) Beginning of Year Cost Basis	(2) Annual Deposit to the Account	(3) Sale of Equities to Fund Cash Flow	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Account Value Before Turnover	(7) Adjusted Cost Basis	(8) Sale of Equities Caused by Turnover	(9) Cost Basis Used by Turnover	(10) After Tax Reinvested Turnover	
1	43	0	50,000	0	3,000	0	53,000	50,000	13,250	12,500	13,021	52,375
2	44	50,521	50,000	0	6,143	0	108,518	100,521	27,130	25,130	26,520	107,099
3	45	101,911	50,000	0	9,426	0	166,525	151,911	41,631	37,978	40,517	164,170
4	46	154,450	50,000	0	12,850	0	227,020	204,450	56,755	51,112	55,034	223,609
5	47	208,371	50,000	0	16,417	0	290,026	258,371	72,507	64,593	70,093	285,455
6	48	263,871	50,000	0	20,127	0	355,582	313,872	88,896	78,468	85,715	349,758
7	49	321,119	50,000	0	23,985	0	423,743	371,119	105,936	92,780	101,923	416,582
8	50	380,262	0	0	24,995	0	441,577	380,262	110,394	95,066	105,719	433,625
9	51	390,916	0	0	26,018	0	459,643	390,916	114,911	97,729	109,670	450,994
10	52	402,857	0	0	27,060	0	478,054	402,857	119,514	100,714	113,780	468,778
11	53	415,922	0	0	28,127	0	496,905	415,923	124,226	103,981	118,051	487,049
12	54	429,993	0	0	29,223	0	516,272	429,993	129,068	107,498	122,489	505,870
13	55	444,984	0	0	30,352	0	536,222	444,984	134,056	111,246	127,099	525,296
14	56	460,837	0	0	31,518	0	556,814	460,837	139,204	115,209	131,885	545,374
15	57	477,513	0	0	32,722	0	578,096	477,512	144,524	119,378	136,855	566,149
16	58	494,989	0	0	33,969	0	600,118	494,990	150,030	123,747	142,013	587,661
17	59	513,255	0	0	35,260	0	622,921	513,255	155,730	128,314	147,368	609,950
18	60	532,310	0	0	36,597	0	646,547	532,310	161,637	133,077	152,926	633,052
19	61	552,158	0	0	37,983	0	671,035	552,159	167,759	138,040	158,694	657,005
20	62	572,813	0	0	39,420	0	696,425	572,813	174,106	143,203	164,681	681,847
21	63	594,291	0	0	40,911	0	722,758	594,291	180,690	148,573	170,894	707,615
22	64	616,612	0	0	42,457	0	750,072	616,612	187,518	154,153	177,342	734,347
23	65	639,801	0	0	44,061	0	778,408	639,801	194,602	159,950	184,033	762,080
24	66	663,884	0	0	45,725	0	807,805	663,884	201,951	165,971	190,977	790,855
25	67	688,890	0	0	47,451	0	838,306	688,890	209,577	172,223	198,184	820,712
26	68	714,851	0	0	49,243	0	869,955	714,851	217,489	178,713	205,662	851,692
27	69	741,800	0	0	51,102	0	902,794	741,800	225,699	185,450	213,423	883,840
28	70	769,773	0	123,443	45,624	0	806,021	662,261	201,505	165,565	190,544	789,097
29	71	687,240	0	123,444	39,939	0	705,592	579,730	176,398	144,932	166,801	690,775
30	72	601,598	0	123,445	34,040	0	601,370	494,090	150,343	123,522	142,162	588,741
			350,000									

*The composite capital gains tax rate includes 70.00% short-term gains subject to ordinary income tax and 30.00% long-term gains subject to capital gains tax. The individual tax rates used to create the composite tax rate are:

Capital Gains Tax: 20.00%
Income Tax: 35.00%

**Fees:

Column (11) is reduced by a 0.75% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

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		Equity Account Growth 6.00%	Income Tax Rate 35.00%	Composite Capital Gains Tax Rate* 30.50%	Turnover Assumption 25.00%							
Yr	Male Age	(1) Beginning of Year Cost Basis	(2) Annual Deposit to the Account	(3) Sale of Equities to Fund Cash Flow	(4) Capital Growth	(5) After Tax Reinvested Dividends	(6) Account Value Before Turnover	(7) Adjusted Cost Basis	(8) Sale of Equities Caused by Turnover	(9) Cost Basis Used by Turnover	(10) After Tax Reinvested Turnover	(11)** Year End Value of Account After Turnover
31	73	512,730	0	123,445	27,918	0	493,214	405,223	123,304	101,306	116,594	482,856
32	74	420,511	0	123,445	21,565	0	380,976	313,005	95,244	78,251	90,061	372,975
33	75	324,815	0	123,446	14,972	0	264,501	217,309	66,125	54,327	62,527	258,946
34	76	225,508	0	123,446	8,130	0	143,630	118,003	35,908	29,501	33,953	140,613
35	77	122,456	0	123,446	1,030	0	18,197	14,950	4,549	3,738	4,302	17,815
36	78	15,514	0	17,815	0	0	0	0	0	0	0	0
37	79	0	0	0	0	0	0	0	0	0	0	0
38	80	0	0	0	0	0	0	0	0	0	0	0
39	81	0	0	0	0	0	0	0	0	0	0	0
40	82	0	0	0	0	0	0	0	0	0	0	0
41	83	0	0	0	0	0	0	0	0	0	0	0
42	84	0	0	0	0	0	0	0	0	0	0	0
43	85	0	0	0	0	0	0	0	0	0	0	0
44	86	0	0	0	0	0	0	0	0	0	0	0
45	87	0	0	0	0	0	0	0	0	0	0	0
46	88	0	0	0	0	0	0	0	0	0	0	0
47	89	0	0	0	0	0	0	0	0	0	0	0
48	90	0	0	0	0	0	0	0	0	0	0	0
49	91	0	0	0	0	0	0	0	0	0	0	0
50	92	0	0	0	0	0	0	0	0	0	0	0

350,000

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Capital Gains Tax: 20.00%
Income Tax: 35.00%

**Fees:

Column (11) is reduced by a 0.75% management fee.

Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

Taxation of Cash Flow

With equity accounts, dividends are taxed and the after tax balance is either reinvested or used for scheduled cash flow. Capital gains tax calculations are based upon a ratio of asset value to remaining cost basis in any given year.

With cash value life insurance policies, withdrawals (also known as partial surrenders) are income-tax free up to cost basis and taxable thereafter. Policy loans are income-tax free so long as the policy stays in force until death. The source of the cash flow from the life insurance policy in this presentation is policy loans.

Note: Policy loans reduce policy cash values and death benefits, and the lapse of a loaned policy could result in severe tax ramifications to the policy owner. Be sure to consult a professional tax adviser if you have any questions about this issue.