

## Understanding Universal Life Premiums & Commissions

Example: Male, \$100,000 Altis I

Age	Class	Min Prem	Target Prem	Planned Prem
25	PNT	\$401	\$750	\$302
	NT	\$450	\$850	\$314
	T	\$575	\$1,000	\$433
30	PNT	\$450	\$ 847	\$386
	NT	\$523	\$970	\$398
	T	\$687	\$1,208	\$545
35	PNT	\$551	\$1,000	\$ 499
	*NT	\$651	\$1,250	\$517
	T	\$851	\$1,450	\$715
40	PNT	\$737	\$1,227	\$643
	NT	\$848	\$1,413	\$683
	T	\$1,246	\$1,717	\$934
45	PNT	\$1,001	\$1,500	\$837
	NT	\$1,151	\$1,750	\$905
	T	\$1,551	\$2,050	\$1,213

\*Look at the 35 year old male – Standard Non-Tobacco

Minimum Premium	= \$ 651 (Required first 5 years)	\$ 55/mo.
Planned Premium for life	= <u>\$517</u>	
Difference	= \$134 x 5 years = \$670	
Target Premium	= \$1,250	\$ 105/mo.
Planned Premium	= <u>\$ 517</u>	<u>\$ 44/mo.</u>
Needed First Year	= \$ 733	\$ 61/mo.
Difference Above	= <u>\$ 670</u> ....	
Amount Needed	= \$ 63	

Where to find the \$733?

1. Cash from an old policy.  
How many people have small policies with a few dollars in them??
2. Cash from savings or wherever. Sell benefits of long term reduced outlay.
3. Increase first year premium and then reduce year two and on-going.
4. Sell target premium only to max out commissions on all sales.