



We're focusing this month on effective legacy planning techniques. A recent case illustrates how the DBS Case Design Team was able to analyze the client situation, take into account all the desired outcomes, and find a life insurance solution to fit their needs.

An advisor was working on a case with a couple (male age 67; female age 65) who had roughly \$1 million in annuities and some other minor investments that they would not need for themselves in retirement. The advisor was having some difficulty getting them to consider life insurance as an option because even though they were rather conservative, they felt they could still earn more with other investments.

The advisor had run the figures based on about 4.5% interest and felt that he could turn their \$1 million into about \$2.4 million in 20 years, roughly his life expectancy of age 87.

OUR PROPOSAL

As a comparison we looked into putting their \$1 million into a guaranteed 10 pay annuity which would then fund a survivorship life insurance contract. We found that we could get the death benefit up to \$3.5 million, possibly even higher with a semi-guaranteed bridge product that could offer up to \$4.3 million, leaving far more for their children than they could otherwise without taking on more investment risk than they were comfortable with.

Surprisingly, this was not enough to motivate this particular couple and the advisor was unable to convince them to proceed. Our DBS Senior Case Design Analyst worked closely with the advisor to find out specifically what their objections were and uncovered that the wife was concerned about the "what if's" and that she may need the funds to help with her husband's medical care.

THE SOLUTION

The solution in the end was a survivorship option with a long-term care rider. This option offered about \$2.4 million in death benefit, matching the advisor's investment figures. In addition, this design offered both of them \$1.2 million worth of guaranteed long-term care, effectively doubling their funds for care from day one.

This meant that they could have immediate protection for the "what if's" the wife was worried about, it was fully guaranteed so they would never need to worry about it, and it still matched what their projected investments could have done in the long run and without taking undue risks.

Our team of talented Case Design Analysts will work with you to find solutions for your clients. They have the in-depth knowledge of all our carriers and products, and they're able to dig deeper into the situation to find a solution that may not have been apparent at first glance.

Contact your Dedicated DBS Case Design Analyst to learn more!

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