

Young Professionals

THE POWER OF TIME



PERSONALLY DESIGNED FOR YOU

SAFE LIFE PLAN

SAFE LIFE PLAN

A Personal Note

Young professionals today have more access to financial resources than ever before — yet clarity has never felt more complicated.

There are countless tools, opinions, plans, and strategies available. With so much information, it becomes difficult to determine what truly makes sense long term.

This booklet was created to simplify the conversation.

My passion is to provide an added viewpoint — one that shows how a strategic adjustment early in life can significantly influence long-term goals and dreams.

It isn't about doing more.

It's about repositioning what you're already doing — more efficiently.

In the following pages, I share an example of how I would redesign the asset allocation for my daughter Danielle's long-term savings strategy.

My hope is that this perspective brings clarity, confidence, and intention to your own financial journey.

Dana Scheponik
SAFE LIFE PLAN





PLANNING A LIFE YOU ENJOY

FOR ALL STAGES OF YOUR FINANCIAL JOURNEY

At Safe Life Plan, every strategy begins with protection.

Growth without proper structure can create unnecessary risk.

We design financial strategies that are personally structured for you.



Where Is Your Money Today?

- CASH
- 401(K)
- ROTH IRA
- STOCKS
- BROKERAGE ACCOUNT
- REAL ESTATE
(Primary / Rental / REITs)
- HIGH YIELD SAVINGS ACCOUNT
- HEALTH SAVINGS ACCOUNT (HSA)
- EMERGENCY FUND



HAVE YOU CONSIDERED
How Each Asset Is Positioned
for the Future?



Information based on current IRS code (IRC 7702 and related provisions) as of 2026.
This material is for educational purposes only and not tax or legal advice.

Tax Treatment of Common Financial Vehicles

CURRENTLY TAXED

- Savings
- CDs
- Brokerage Account
- Stocks
- Mutual Funds

TAX- DEFERRED

- 401(k)
- Traditional IRA
- 403(b)
- Annuities

TAX- ADVANTAGED

- Roth IRA
- HSA
- Life Insurance
(Structured Under
IRC 7702)

Information based on current IRS code (IRC 7702 and related provisions) as of 2026. This material is for educational purposes only and not tax or legal advice.

THE WEALTHY PLAN DIFFERENTLY



The **wealthy**
leverage

IRC 7702(a)

to build long-
term tax-
advantaged
assets.

The majority
rely primarily on

401(k) qualified plans

for retirement savings.



Understanding the structural difference
can change your financial future.

Leverage the Tax Code — **Don't Just Defer It.**

WHAT IS SECTION 7702(A)?

IRC 7702 Defines:

- What qualifies as a life insurance contract for tax purposes
 - How much premium can be paid relative to the death benefit
 - How a policy maintains tax-advantaged treatment
-

To Maintain 7702 Status, A Policy Must:

- Pass federal testing requirements
 - Follow premium funding limits
 - Maintain required death benefit ratios
-

Key Testing Standards

- Cash Value Accumulation Test (CVAT)
 - Guideline Premium & Corridor Test
-

Important Distinction

- Policies that exceed funding limits may become MECs
 - MEC status changes how distributions are treated
-

BOTTOM LINE

7702 ensures a life insurance policy is structured correctly to receive favorable tax treatment under current IRS code.



DEFINITION

- Permanent life insurance
- Provides a death benefit
- Builds cash value over time
- Credits interest using a market index formula
- Not directly invested in the stock market

STRUCTURAL COMPONENTS

- Premium payments (within funding guidelines)
- Insurance cost charges
- Cash value accumulation
- Death benefit requirement under IRC 7702

INTEREST CREDITING FRAMEWORK

- Selected index used as reference
- Floor (often 0%)
- Caps and/or participation rates may apply
- Subject to insurer formulas and policy terms

REGULATORY STRUCTURE

- Must comply with IRC 7702
- Funding limits apply
- Excess funding may create MEC classification
- MEC status changes distribution treatment

OPERATIONAL CONSIDERATIONS

- Policy charges apply
- Long-term funding discipline required
- Loans and withdrawals affect policy performance

Educational content only. Not tax, legal, or investment advice. Policy performance and tax treatment depend on structure and current law.

Life Insurance

HAS COME A LONG WAY
OVER THE YEARS



LIKE THE ANTIQUE CAR
LIFE INSURANCE HAS
IMPROVED AS WELL. FROM
TERM INSURANCE
TO WHOLE LIFE TO
UNIVERSAL LIFE TO
INDEXED UNIVERSAL LIFE



INDEXED UNIVERSAL LIFE
LIKE THE LATEST
CAR MODEL
HAS ADDED FEATURES
DESIGNED FOR GREATER
FLEXIBILITY

Indexed Universal Life Contract

TAX-ADVANTAGED GROWTH
PROTECTED FROM MARKET LOSS
LIQUID

IUL IS AN ASSET

PROTECTED FROM CREDITORS AND
ACCELERATED BENEFITS

Take a look at the advantages of adding an **Indexed Universal Life Contract** to your retirement planning.



More Available Features

Indexed Universal Life Contracts (IULs) offer benefits not available in a 401(k), and designed properly can have the ability for uncapped contributions unlike the limitations of a Roth IRA.

Tax-Advantaged Growth & Protection

- Built-in features designed to help manage market volatility
- Liquid money and life insurance **cash values**
- Protected from creditors under **state insurance laws**
- **Living benefits** in the event of a health crisis unlike traditional qualified plans.

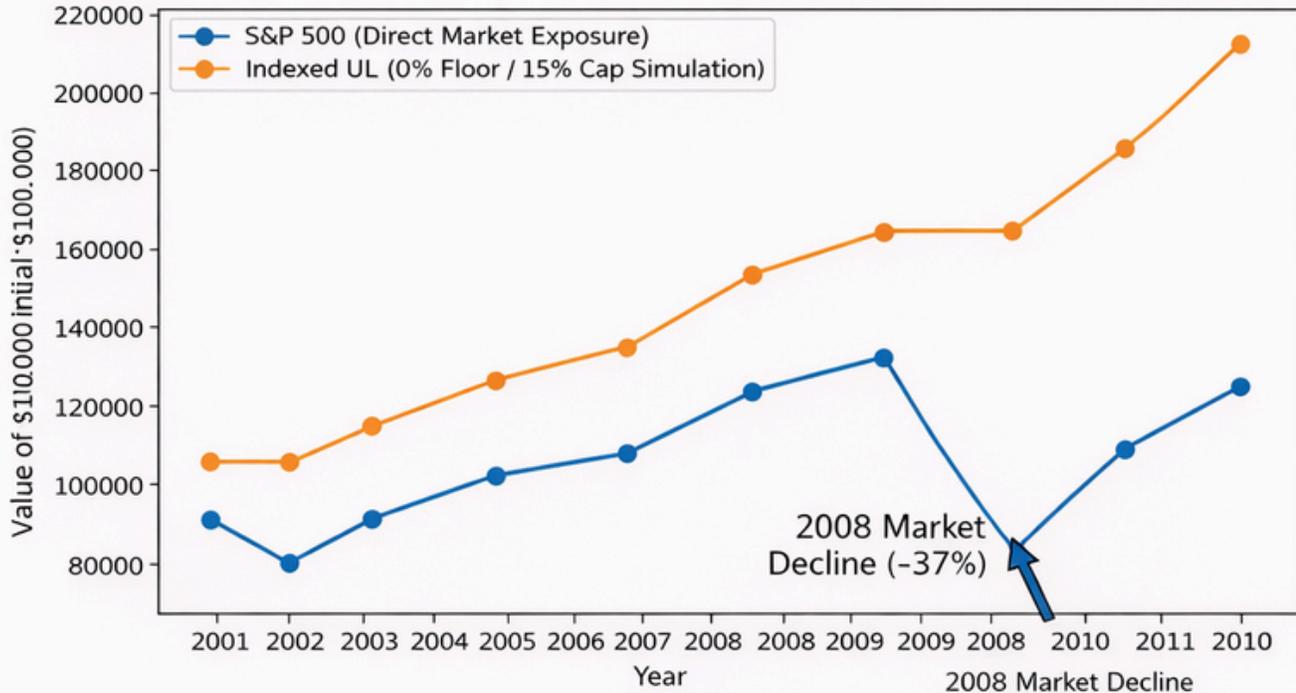


IUL IS AN ASSET.

Provides valuable leverage and
purchasing power for your future.

HOW INDEXED UNIVERSAL LIFE WORKS IN DOWN MARKETS

2001–2010 Historical Market Comparison
S&P 500 Total Return vs. Hypothetical 0% Floor / 15% Cap Crediting Model



How an Indexed Universal Life Contract Responds in a Down Market

In years when the market declines, an Indexed Universal Life (IUL) contract credits 0% rather than a negative return, due to the policy's contractual floor. In positive years, credited interest is subject to a cap or participation rate. This means the policy may not receive the full market gain — but it does not participate in market losses.

Over time, avoiding large negative years can materially change long-term accumulation outcomes.

Insurance costs are built into the policy design. When structured properly — including managing the death benefit level — policy expenses can be controlled while maximizing cash value accumulation.

Source: S&P 500 Total Return data (2001–2010), publicly available historical data (e.g. FRED and S&P historical total return records). Indexed Universal Life example assumes, **annual point-to-point crediting** with a 0% floor and 15% cap. This is a hypothetical illustration. This is a hypothetical illustration for educational purposes only. Actual policy performance depends on carrier design, caps, participation rates, policy charges, and market conditions.

HYPOTHETICAL IUL EXAMPLE

(Hypothetical Illustration for Educational Purposes)

Illustrated Rate: 6.68%



Example Profile

- Female, Age 31
- Monthly Contribution: \$600
- Designed to Avoid MEC
- Health Underwritten

FAMILY PROTECTION

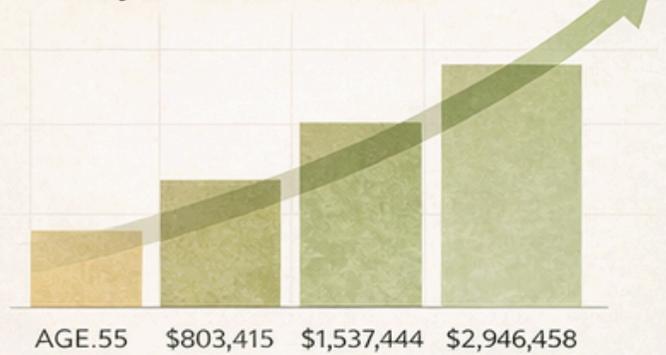
If I Pass Away,
My beneficiaries
will receive:



\$225,000

CASH VALUE GROWTH

Projected Cash Value



CASH VALUE GROWTH

Projected Cash Value



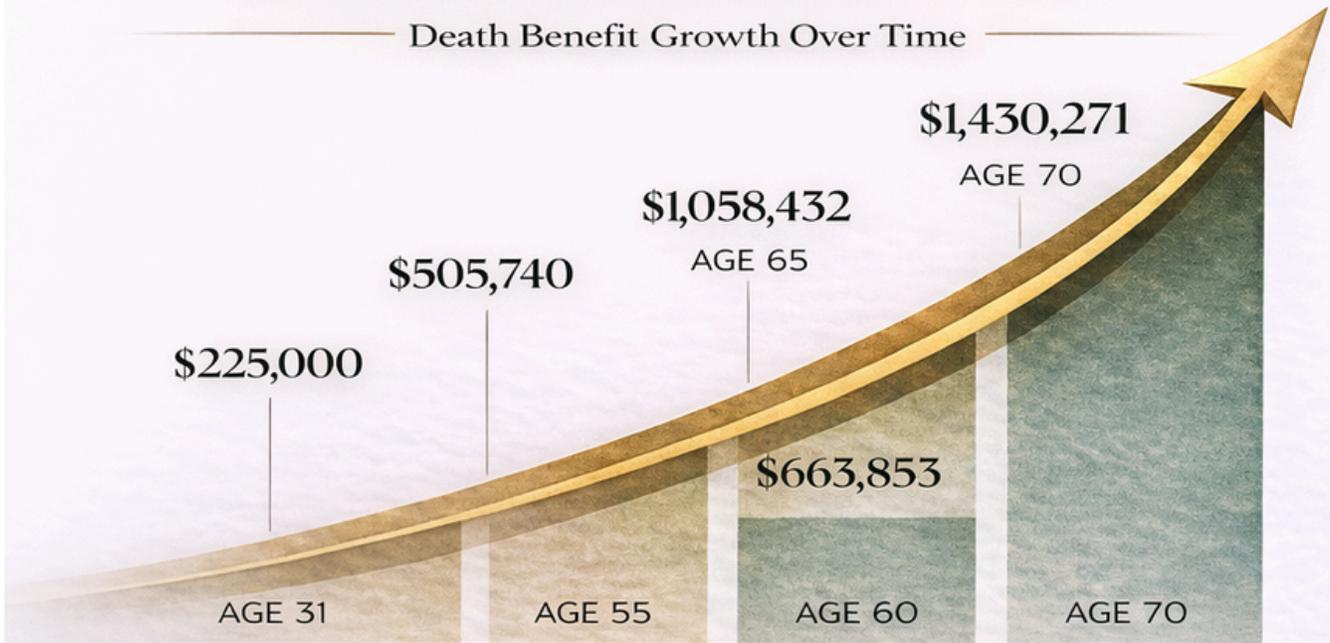
BENEFITS FOR	56	65	75	85
Chronic Illness	\$445,510	\$870,372	\$1,846,562	\$2,973,037
Specified Medical Condition	\$362,220	\$910,358	\$1,586,679	\$2,911,019
Terminal Illness	\$467,035	\$911,727	\$1,684,467	\$3,013,743

IUL IS AN ASSET

IUL has many benefits and is designed specifically for you.

Designed Properly, THE IUL BECOMES A POWERFUL PROTECTION ASSET

Death Benefit Growth Over Time



DEATH BENEFIT GROWTH

Danielle's Policy was Designed for Building CASH VALUE!

By lowering the Death Benefit, you maximize the Cash Value.

LIFE PROTECTION

- Cash value provides liquidity and flexibility.
- The death benefit protects in the event of early death.
- Accelerated benefits protection in a health event.

All of this growth occurs *without* the risk of market loss.

Hypothetical Growth Chart for Educational Use Only

WHY START AN IUL EARLY?

Funding the right asset at the right time.



WHAT DANIELLE WAS DOING:

- Contributing \$600 per month to her Roth IRA
- Building retirement savings

WHAT WE DID:

- Redirected \$600/month into a properly structured IUL
- Designed to avoid MEC
- Death benefit reduced to build cash efficiently

WHY START IUL BEFORE MAXING A ROTH?

- **Health Underwritten** – must qualify while healthy
- Lock in insurability early
- Builds tax-advantaged cash value
- Provides living benefits protection
- Becomes a protected asset

Funding an IUL early in life makes strategic sense.

You can resume or continue Roth IRA contributions later.

Securing an IUL early places your long-term strategy in a stronger position –
protecting both you and your portfolio.



This is not *just* retirement planning.

This is Life Planning.

Dana Scheponik

SAFE LIFE PLAN

LET'S TAKE THE NEXT STEP

This booklet was meant to introduce high-level concepts, not to serve as a complete guide.

To take the next step to learn more and implement these strategies, **CALL THE NUMBER BELOW** to hear a pre-recorded message.

We will set a time to have a simple conversation about where your money is today and your goals for the future.

HERE'S HOW TO GET STARTED:

- **CALL 1-844-427-5260** to listen to a pre-recorded message.
- **WE WILL PICK A TIME THAT WORKS FOR YOU** to have a conversation.
- **VISIT www.SafeLifePlan.com** to learn more about personalized strategies.

CALL 1-844-427-5260

FOR A COMPLIMENTARY CONSULTATION.

No Obligation and No Fees

Dana Scheponik

SAFE LIFE PLAN