

Equitable Bank's CSV Line of Credit Lets You Do More



Flexible and convenient, an **Equitable Bank CSV Line of Credit (LOC)** enables individuals to access the built-up cash surrender value (CSV) within their whole life insurance policy without compromising future growth.

With customizable advance and payment options, the CSV LOC is designed to fit your clients' lifestyle so you can enjoy every day to its fullest.

How the CSV LOC can help:



Supplement existing retirement income



Take advantage of investment opportunities



Pay for specific one-time or ongoing items



Enjoying retirement

Jill's a 73 year old retiree. She's financially comfortable but feels that she'd be happier if she could increase her monthly spending. She decides to obtain an **Equitable Bank CSV LOC** to supplement her retirement income so she can enjoy the lifestyle she wants while still providing for her family in the future. By taking advantage of the interest capitalization option, she doesn't have to worry about ongoing payments¹.

Result

Jill draws \$1,000 from her CSV LOC every month until she's 90 years old. She doesn't make any principal or interest payments and allows the interest to capitalize onto the line of credit.

Throughout the life of the LOC, the cash surrender value of her whole life insurance policy grows at the pace anticipated by her policy inforce illustration. It maintains a steady buffer of value over the outstanding loan balance. When the death benefit is paid out 27 years later, ~\$330,000 is passed on to her beneficiaries.

Illustration

Policy CSV at LOC approval:

\$300,000

Credit limit:

\$215,000

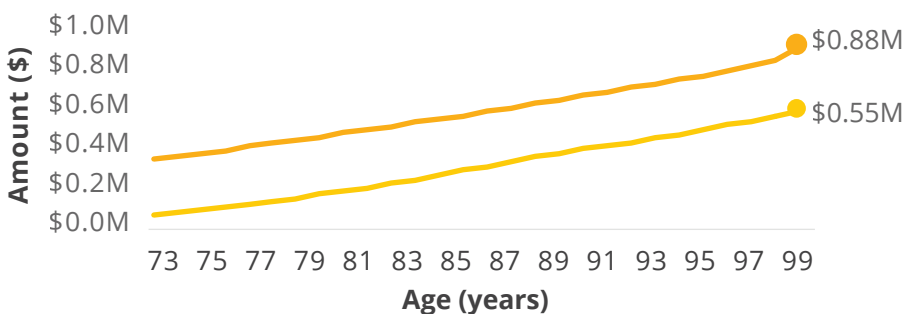
Interest rate:

CSV Prime +1.25%

Payments:

No ongoing payments.
Interest is capitalized with the full amount deducted from the death benefit.

Policy CSV value vs outstanding LOC balance



Legend

- CSV value
- Outstanding LOC balance (EOY)

*Scenario and solution for illustrative purposes only.

¹The Equitable Bank CSV Line of Credit is a demand facility, meaning Equitable Bank can demand payment of all or part of the outstanding balance at any time



Real estate opportunity

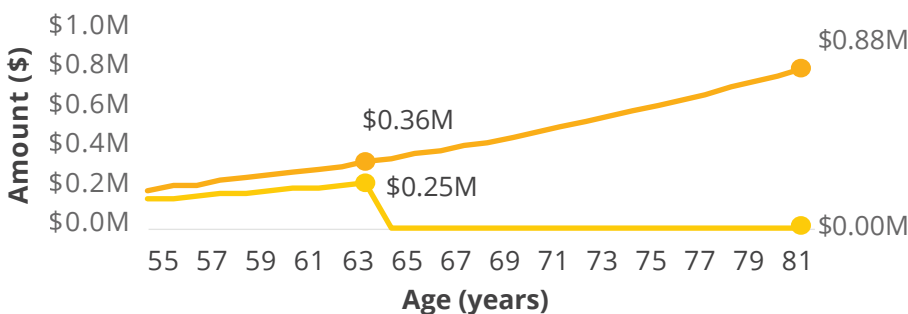
Jason, a 55 year old private real estate developer, is presented with the opportunity to buy a piece of property at a substantial discount. To take advantage of it, he needs to come up with funds fairly quickly but his money is tied up in illiquid assets. Jason's financial advisor helps him leverage the cash surrender value in his whole life insurance policy by applying for an **Equitable Bank CSV LOC**. In two weeks, Jason is approved and the funds are in his account.

Result

Upon approval, Jason immediately draws \$150,000 from his CSV LOC. He doesn't make any payments until 10 years later, when he sells the property and repays the outstanding balance in full. After that, he keeps the CSV LOC as a back-up source of funds in case other opportunities come along.

Since Jason repaid his entire outstanding LOC balance, his full death benefit will be passed onto his beneficiaries. The CSV LOC's revolving nature provided Jason with the flexibility to choose a repayment schedule that works best for him.

Policy CSV value vs outstanding LOC balance



Illustration

Policy CSV at LOC approval:

\$210,000

Credit limit:

\$164,000

Interest rate:

CSV Prime +1.25%

Payments:

No ongoing payments. The full outstanding LOC balance was repaid 10 years from the draw.

Legend

- CSV value
- Outstanding LOC balance (EOY)

*Scenario and solution for illustrative purposes only.



Supporting loved ones

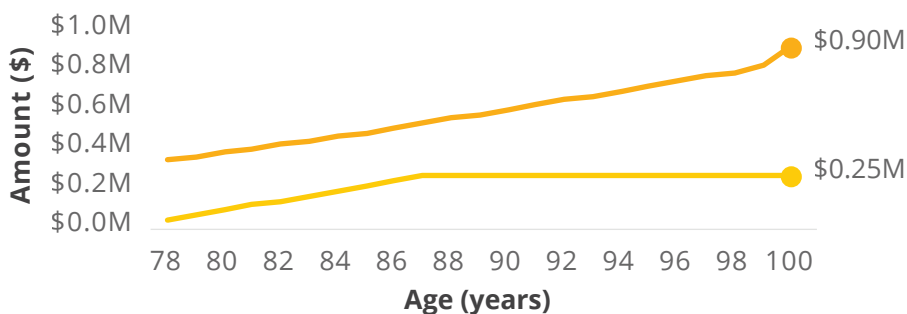
Anne wants her grandchildren to receive the best education possible but knows that her son can't afford private school tuition costs. She's willing to help pay for her grandkids' tuition but needs a source of funds that'll allow for periodic draws. She obtains a CSV LOC from Equitable Bank through her advisor and takes advances annually to cover the tuition. Anne is happy that she can help out her family now rather than later.

Result

Anne takes out \$25,000 at CSV LOC inception to pay for that year's tuition. She then continues to draw \$25,000 every year for nine years. To prevent accumulating interest costs, she chooses to pay interest annually.

When Anne's death benefit is paid out, the outstanding LOC balance is paid and her children receive the remaining ~\$650,000. By leveraging the equity in her whole life insurance policy, Anne was able to see her grandchildren enjoy a quality education as well as provide financially for her beneficiaries upon her passing.

Policy CSV value vs outstanding LOC balance



Illustration

Policy CSV at LOC approval:

\$330,000

Credit limit:

\$280,000

Interest rate:

CSV Prime +1.25%

Payments:

No ongoing principal payments with interest payments made annually.

Legend

- CSV value
- Outstanding LOC balance (EOY)

*Scenario and solution for illustrative purposes only.