The Wheel of Life

The Wheel of Life is a framework for life insurance planning that examines five key stages of a person's life. It aims to help advisors, agents, and their clients align the plan with their evolving responsibilities, goals, and stages of wealth. As people progress along their wealth journey, wealth accumulates, and the role of life insurance evolves from foundational protections like income replacement to advanced wealth strategies like a "Family Bank." Each stage introduces new opportunities to leverage permanent life insurance for both security and financial efficiency.

HENRYs

High earners with minimal expenses, who are building their wealth and willing to lean into more risk.

Family Creators

Recently married and about to have children, they are overwhelmed with financial decisions.

Family Guardians

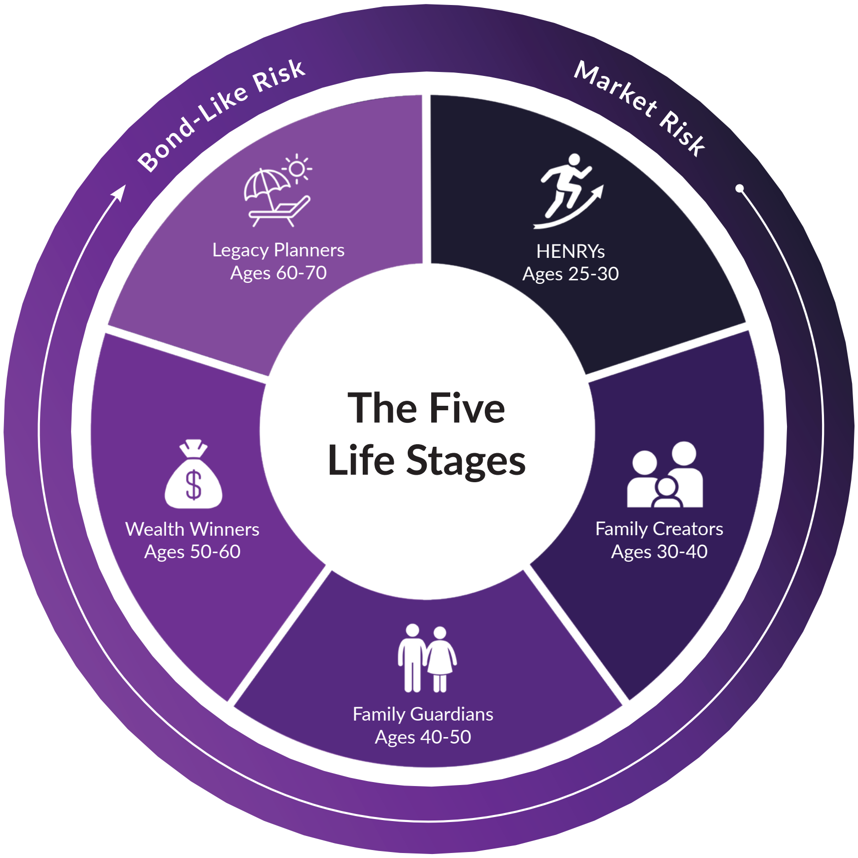
Balancing saving for retirement and college for their children, they need flexibility in their financial plan.

Wealth Winners

Experiencing a sudden wealth inflection, they need to reorient their financial strategy for less risk.

Legacy Planners

Recently retired and with grandchildren, they want to leave behind generational wealth.



Remember...

The strategy should reflect both the level of wealth at the time you begin and how the policy integrates seamlessly with the client's broader, holistic portfolio.

Stage One: HENRYs (High Earning, Not Rich Yet)

Balancing Aggressive Wealth Growth with Future Flexibility

HENRYs are young, high-income professionals with minimal expenses who are focused on building wealth, but often lack a strategy to balance growth, risk, and other future life changes.

Persona One: Horizon Henry

VUL (for Wealth Accumulation)

At 27, Henry is earning a strong income with very few financial obligations. Like many HENRYs, he is eager to capitalize on time and compounding, but faces a common issue:

"How can I grow my money efficiently now, without limiting my options later?"

Henry invests independently, but his strategy lacks these critical elements:

- **A holistic framework** that integrates protection with growth
- **Risk management** given his high exposure to market risk
- **A long-term plan** that accounts for evolving responsibilities

Henry has two key advantages. First, time is on his side for **compounding growth**. Secondly, by securing life insurance at an early age, he ensures his insurability and locks in **lower long-term costs**.

He needs a solution that allows him to lean into market-driven upside while simultaneously building a financial foundation that can scale with his future responsibilities.

Solution

A **Variable Universal Life (VUL) policy** suits Henry's dual needs of protection and growth. By allowing market participation, it offers the potential for long-term accumulation of cash value, while its flexible premium structure can adapt as Henry's financial situation evolves. At the same time, it provides built-in protection via a death benefit to support future family planning and the option to adjust or layer coverage as his needs change. This approach enables Henry to pursue wealth accumulation without sacrificing the flexibility he'll need for tomorrow.

For HENRYs, the biggest risk isn't just market volatility. **It's building wealth without a strategy that evolves and adapts with their wealth journey.** By introducing a flexible, growth-oriented solution early, Henry can pursue accumulation today while keeping future options wide open.

Recommended Product	New Premium	Cash Value at Age 65	Death Benefit at Life Expectancy
Variable Universal Life (VUL)	$5K Annually	$1M - assuming 8% return	$5M - assuming 8% return

Stage Two: Family Creators

Balancing Protection Needs with Financial Flexibility

Family Creators are dual-income couples who are beginning to build wealth while preparing for the financial realities of starting a family. With growing income and expenses, they need to balance protection, flexibility, and long-term planning without overcommitting.

Persona Two: Married Martins

Convertible Term (for Flexibility)

At ages 30 and 29, the Martins are planning to start a family while managing the early stages of wealth accumulation. Like many couples in this phase, they are facing increasing financial pressure and a growing list of decisions.

"How can we protect our future family now without stretching our budget too thin?"

The Martins are motivated to act, but their current situation creates friction:

- **Rising expenses** limit their ability to commit to permanent coverage
- **Information overload** leads to short-term, reactive decisions
- **Uncertainty** around future income makes long-term commitments feel risky

They also recognize two key advantages. First, securing coverage now locks in their current health and insurability. Secondly, starting early allows them to build a foundation they can expand later.

They need a solution that provides meaningful protection today while preserving the flexibility to adapt as their income and responsibilities grow.

Solution

A **Convertible Term (CT) policy** provides the Martins with an efficient and flexible path forward. It delivers high levels of catastrophic protection during their most vulnerable years while keeping premiums manageable. Just as importantly, it locks in their health rating and gives them the ability to convert to permanent coverage in the future as their financial situation improves. This approach simplifies decision-making today while creating a clear, adaptable path for tomorrow.

For folks at this stage of their wealth journey, the biggest risk isn't just being underinsured. **It's making rigid financial decisions during a period of rapid change.** By starting with a flexible, conversion-focused life insurance solution, the Martins will protect their growing family today while maintaining the ability to evolve their strategy as their incomes grow and their lives become more complex.

Recommended Product	New Premium	Death Benefit During Term	Death Benefit at Life Expectancy
Convertible Term (10 Year)	$2.5K Combined Annually	$15M Combined	N/A

Stage Three: Family Guardians

Balancing Market Growth, Retirement Planning, and Legacy Creation

Family Guardians are high-earning couples with established wealth who are preparing for the "empty nest" stage while beginning to plan for retirement and legacy protection. As expenses decrease, they shift focus toward maximizing income, optimizing portfolios, and creating long-term financial flexibility for themselves and their children.

Persona Three: Banking Barrys

IUL & VUL (for Market Exposure & Family Banking)

At ages 45 and 44, the Barrys have built a strong financial foundation and are now looking ahead to the next stage of life. With retirement on the horizon and their children in college, they want to make smarter use of their income during their peak earning years.

"How do we continue growing our wealth while creating flexibility for retirement and building a meaningful legacy for our children?"

While they have accumulated assets, their current strategy lacks:

- **A tax-advantaged approach** to long-term wealth accumulation
- **Balance** between market participation and downside protection
- **A structured plan** for retirement income, long-term care considerations, and estate planning

They also recognize two key advantages. First, they are still in their prime earning years with the ability to aggressively fund new strategies. Secondly, declining future expenses (as children leave the home) create an opportunity to reallocate capital more efficiently. They need a solution that allows for continued market exposure, enhances tax efficiency, and creates assets that can support both their retirement and their children's future.

Solution

A combination of **Indexed Universal Life (IUL) and Variable Universal Life (VUL) policies** provides the Barrys with a balanced and strategic approach. The IUL policy offers tax-advantaged growth potential with downside protection, helping to hedge against volatility in their broader portfolio while building a reliable source of future income. At the same time, the VUL policy introduces greater market-driven upside potential and creates a "family banking" strategy. This allows assets to accumulate and can be accessed for future opportunities. Together, this portfolio approach enables the Barrys to potentially capture growth, manage risk, and create multi-generational financial flexibility.

For Family Guardians, the biggest risk isn't just market exposure. **It's failing to refine their strategy as they approach retirement and legacy planning.** By implementing a balanced portfolio of IUL and VUL policies, the Barrys can potentially grow their wealth, create tax-efficient income for retirement, and establish a financial foundation that extends beyond their own lifetime.

Recommended Product	New Premium	Initial Death Benefit	Expected Cash Value	Death Benefit at Life Expectancy
IUL & VUL (Parents and Kids)	$50K Combined Annually	$3M - IUL assuming 6% return, VUL assuming 8% return	$11.8M - IUL assuming 6% return	$20.1M - IUL assuming 6% return, VUL assuming 8% return

Stage Four: Wealth Winners

Reallocating Wealth for Protection, Flexibility, and Legacy

Wealth Winners have experienced a significant influx of wealth through inheritance, liquidity events, or business success. They are shifting their focus from accumulation to preservation, distribution, and legacy planning. With their retirement needs largely met, the priority becomes optimizing portfolio allocation to balance guarantees, flexibility, and long-term estate outcomes.

Persona Four: Legacy Lloyds

GVUL (via 1035 for Estate Planning)

At ages 47 and 43, the Lloyds recently experienced a substantial wealth event and are reassessing their financial strategy. While they already have a Whole Life policy, their new level of wealth has inspired them to find more efficient ways to structure their estate and maximize long-term outcomes.

"How can we reposition our wealth to create a stronger legacy and maintain flexibility and opportunity for growth?"

Although financially secure, their current approach and Whole Life policy presents limitation:

- **Limited upside** relative to their new financial position
- **Inefficient** estate planning capabilities
- **Conflicting advice** that has created uncertainty around the best path forward

They also recognize two key advantages. First, by repositioning their policy, they are able to nearly triple their death benefit without increasing their premium. This allows them to lock in significantly more guaranteed protection and maintain flexibility through an adjustable structure and access to cash value if needed. Second, they still have a meaningful time horizon, giving their assets a chance to grow within a more structured strategy that combines disciplined allocation, tax-advantaged accumulation, and long-term compounding.

Solution

A **Guaranteed Variable Universal Life (GVUL) policy**, implemented through a 1035 exchange from their existing Whole Life policy, provides a powerful repositioning strategy. This approach significantly increases their guaranteed death benefit while maintaining exposure to possible market-driven growth. By leveraging GVUL, the Lloyds may secure a larger legacy for their beneficiaries while retaining those guarantees regardless of investment performance (if certain conditions are met). The structure aligns their portfolio toward protection and estate efficiency without closing the door on growth opportunities.

For Wealth Winners, the biggest risk isn't just market exposure. **It's failing to revise their strategy after a major wealth event.** By repositioning existing assets into a GVUL policy, the Lloyds enhance their guaranteed legacy, improve estate efficiency, and maintain the flexibility to capture additional potential upside, ensuring their wealth is optimized for both their lifetime and beyond.

Recommended Product	New Premium	Guaranteed Death Benefit	Cash Value at 65	Death Benefit at Life Expectancy
Guaranteed Variable Universal Life (GVUL)	$75K Combined	$15M (+381% increase) (Combined)	$12.3M (+250% increase) - GVUL assuming 8% return	$40.1M (+259% increase) - GVUL assuming 8% return

Repositioning Wealth After a Liquidity Event

Wealth Winners who experience a major liquidity event must quickly reassess their financial strategy and shift from accumulation to preservation, protection, and legacy planning. With new levels of wealth comes increased exposure, making it critical to reconfigure portfolios for both security and long-term efficiency.

Persona Five: Windfall Winks

GVUL (via 1035 for Estate Planning)

At ages 50 and 47, the Winks face a significant wealth turning point following the successful sale of the wife's startup. While they have already implemented an Indexed Universal Life (IUL) policy, their new financial position exposes limitations in their current strategy.

"How do we protect what we've built while still allowing our wealth to grow?"

Despite their success, their existing approach and IUL presents key issues:

- **Underperformance** due to reduced cap rates
- **Exposed portfolio** relative to their new level of wealth
- **No strategy** that prioritizes guaranteed legacy outcomes

They also recognize two key advantages. First, they no longer need to take on the same level of risk to achieve their financial goals. Secondly, with a young child and significant assets, protecting their legacy becomes a top priority. They need a solution that strengthens guarantees, reduces unnecessary exposure, and still preserves upside potential.

Solution

A **Guaranteed Variable Universal Life (GVUL) policy**, implemented through a 1035 exchange from their existing IUL policies, provides a strategic repositioning of their assets. This approach increases their guaranteed death benefit while removing the cap limitations of the IUL, allowing for greater potential market participation. By maintaining the same premium level, the Winks enhance both protection and growth potential, creating a more efficient and balanced structure aligned with their new financial reality.

By converting an underperforming IUL into a GVUL policy, **the Winks dramatically increase their guaranteed legacy while maintaining meaningful upside**, ensuring their wealth is both protected and positioned for future growth.

Recommended Product	New Premium	Initial Death Benefit	Expected Cash Value	Death Benefit at Life Expectancy
Guaranteed Variable Universal Life (GVUL)	$40K Combined	$7M (+787% increase) (Combined)	$2.8M (+64% increase) - GVUL assuming 8% return	$14M (+117% increase) GVUL assuming 8% return

Structuring Estate Protection Before the Window Closes

Wealth Winners approaching estate tax threshold changes must act with precision and balance protection, tax efficiency, and access. As exemption limits tighten, strategies that once felt optional quickly become essential, especially for families looking to preserve generational wealth without sacrificing control or flexibility.

Persona Six: Optimize Oscars

GVUL (via 1035 for Estate Planning)

At ages 50 and 49, the Oscars are experiencing a huge liquidity event after selling their family business for a substantial price. With their net-worth now firmly in estate tax territory, they turn their attention to protect what they've built.

"How do we protect our estate from future taxes while still maintaining access and clarity for our spouse and children?"

Despite their success, their existing strategy presents key limitations:

- **Insufficient estate protection** from their term policy
- **No structured vehicle** to efficiently transfer wealth
- **Uncertainty** about how their assets would be accessed or controlled after the first spouse passes

With three children and significant assets at stake, they need a strategy that creates protection, clarity, and continuity.

Solution

A dual **Spousal Lifetime Access Trust (SLAT) strategy**, funded with Guaranteed Variable Universal Life (GVUL) policies via 1035 exchanges, provides the structure and confidence they need. By establishing two SLATs, one for each spouse, the Oscars create a system where assets are positioned outside of their taxable estate while still maintaining indirect access. Each GVUL policy delivers strong guaranteed death benefit protection while allowing for market participation. This structure ensures that upon the first spouse's passing, assets pass to the surviving spouse's trust, solving their primary concern around access and control.

For Wealth Winners, estate planning is not just about reducing taxes. **It's about creating clarity and continuity for their family**. By replacing insufficient term coverage with a dual SLAT strategy funded by GVUL, the Oscars secure a substantial guaranteed legacy, maintain growth potential, and eliminate uncertainty around how assets transfer and are accessed.

Recommended Product	New Premium	Guaranteed Death Benefit	Expected Cash Value	Death Benefit at Life Expectancy
Guaranteed Variable Universal Life (GVUL)	$150K Combined	$11.5M Combined	$2.7M - GVUL assuming 8% return	$16.5M - GVUL assuming 8% return

Stage Five: Legacy Planners

Designing Estate Structures for Multi-Generational Impact

Legacy Planners are entering retirement with enough wealth to last the rest of their lifetime. Their focus shifts from accumulation to preservation, estate design, and defining the legacy they leave behind. With limited liquidity outside of retirement income, their priority becomes building a plan that can sustain wealth across generations that also transfers their values as it transfers wealth.

Persona Seven: Retired Rogers

VUL (for Legacy Planning)

At ages 57 and 53, the Rogers have built substantial wealth over their careers and are now preparing for early retirement. With plans to relocate to Costa Rica within the next five years, they are transitioning from active earners to legacy-focused planners.

"How do we structure our existing wealth to maximize what we leave behind and still have flexibility and control?"

Although they're financially prepared for retirement, their current strategy presents key inefficiencies:

- **Multiple legacy Whole Life policies** that were designed for accumulation
- **Limited potential upside** relative to their current risk tolerance
- **No cohesive estate-focused framework** that aligns with their retirement and relocation goals

They also recognize two key realities. First, they are no longer dependent on aggressive accumulation for retirement security. Secondly, they are willing to continue taking some risks to potentially increase the legacy they leave behind. They need a solution that enhances growth potential, simplifies legacy planning, and improves capital efficiency.

Solution

A **strategic repositioning into two Variable Universal Life (VUL) policies,** funded through the surrender of their existing Whole Life contracts, provides the Rogers with a more efficient and growth-oriented structure. By transitioning away from lower-upside legacy policies, they improve long-term performance potential. The VUL structure allows for flexible premium allocation and internal investment options, enabling the potential for continued growth while maintaining insurance protection. This shift also improves capital efficiency by allowing more of their wealth to remain invested and actively working within the policy structure, rather than being constrained by legacy Whole Life design limitations.

For Legacy Planners, the greatest risk is not market volatility. **It is holding on to outdated policies and solutions that no longer align with their goals.** By converting existing Whole Life policies into VUL contracts, the Rogers enhance their growth potential, increase their legacy potential, and align their financial strategy with their retirement and relocation plans.

Recommended Product	New Premium	Initial Death Benefit	Expected Cash Value	Death Benefit at Life Expectancy
Variable Universal Life (VUL)	$150K Combined	$2.3M Combined	$3.12M (+36.8% Increase) - VUL assuming 8% return)	$18.5M (+85.3% Increase) - VUL assuming 8% return

Building Intergenerational Wealth Structures for Grandchildren

Legacy Planners have retired with enough wealth to provide sustainable income for their projected life expectancies. As such, their focus shifts to preservation, estate organization, and creating intentional structures that pass wealth across generations. With limited liquidity outside of retirement income, they prioritize efficient planning that ensures their legacy extends to grandchildren and beyond.

Persona Eight: Twilight Toms

WL (for Legacy Planning)

At ages 68 and 62, the Toms have recently retired with enough accumulated wealth to live comfortably off passive income. As they enter this stage of life, their attention shifts from personal financial security to long-term family impact across multiple generations.

"How do we create a meaningful financial legacy for our grandchildren that supports them when they need it most?"

Although financially secure and well-prepared, their current structure presents limitations:

- **No dedicated strategy** for grandchildren
- **No early funding** to maximize long-term compounding potential
- They want a simple, structured way to **create a "family bank"** without adding complexity to their estate plan

They also recognize two key realities. First, time is the most powerful driver of long-term policy growth. Secondly, early planning allows them to meaningfully influence future generations at key life milestones such as education, housing, and entrepreneurship. They need a solution that allows them to efficiently create long-term, accessible value for grandchildren while maintaining estate simplicity.

Solution

A pair of **Whole Life (WL) policies** structured on each grandchild provides the Toms with a simple and highly effective intergenerational planning tool. By establishing policies early in the grandchildren's lives, the structure maximizes compounding time and long-term cash value accumulation. Each policy functions as a foundational "family bank," designed to grow steadily over time and provide future access to capital for major life events such as purchasing a home, funding education, or starting a business. The guaranteed nature of Whole Life ensures stability, while the early entry point enhances long-term efficiency and predictability of outcomes.

For Legacy Planners, the greatest risk is not market volatility. **It is failing to start legacy structures early enough to fully benefit future generations.** By establishing Whole Life policies on each grandchild, the Toms create a durable, simple, and intentional family banking system that ensures their wealth extends meaningfully into the next generation.

Recommended Product	New Premium	Guaranteed Death Benefit	Expected Cash Value	Death Benefit at Life Expectancy
Whole Life (WL)	$150K Combined	$16.9M Combined	$32M Combined	$97M Combined

About Optifino

Optifino is a digital BGA built by accomplished financial services veterans to radically simplify the life insurance user experience. Optimizing financial and life insurance planning with cutting-edge AI to streamline portfolio management, our tools make it easier for advisors to visualize and identify the right insurance products for their clients at the right time. What used to take hours or even days now takes a matter of minutes. See for yourself.

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