

# FAMILY LEGACY<sup>SM</sup>

Single Premium Universal Life Insurance ◀

Transfer your assets and leave a lasting legacy



Unless otherwise noted: Not FDIC, NCUA/NCUSIF Insured | Not a Deposit | Not Guaranteed by Any Bank or Credit Union | Not Insured by Any Federal Government Agency | Funds May Lose Value | Not a Condition of Any Banking or Credit Union Activity



# Transfer your assets and leave a lasting legacy

## How Family Legacy<sup>SM</sup> works

Family Legacy is a single premium universal life insurance policy that is purchased with — as its name implies — a one-time premium payment. Beneficiaries immediately receive a death benefit higher than the single premium.

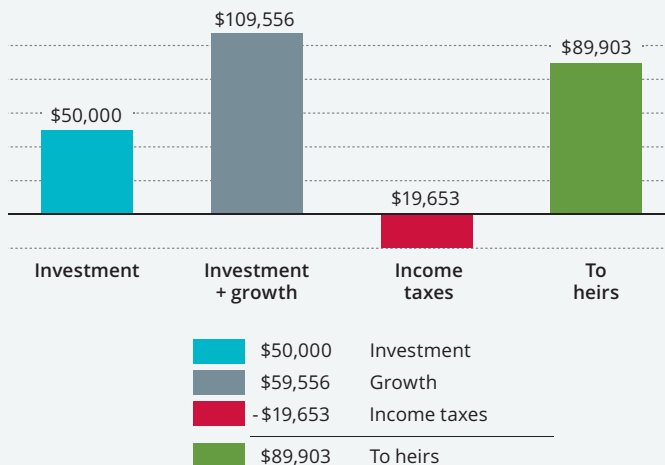
### Consider this example

There are good reasons to buy an annuity, such as maximizing the money you need to live on. However, if you plan on transferring your assets, consider the

following comparison of an annuity and a single premium universal life insurance policy. Family Legacy may be the most suitable option for asset transfer.

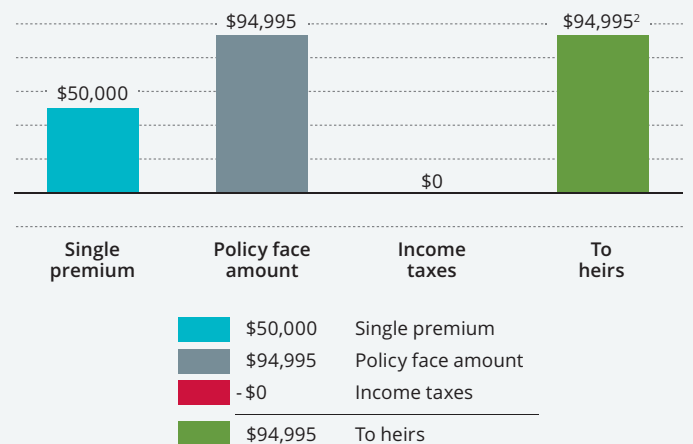
### Deferred annuity

Bill is age 60 and has invested \$50,000 in a deferred annuity earning an average of 4% a year that grows to \$109,556 over a 20-year period by the time he dies at age 80. In his beneficiary's tax bracket, 33% of the growth is lost to federal income taxes when the money is paid to his beneficiary.<sup>1</sup>



### Single Premium Universal Life Insurance

Jack is also age 60 and has purchased a \$50,000 Family Legacy Single Premium Universal Life Insurance policy. As a non-tobacco user, his single premium buys a \$94,995 death benefit. He also lives another 20 years and dies at age 80. On his death, his beneficiary pays \$0 in federal income taxes under current federal tax law.



FOR ILLUSTRATIVE PURPOSES ONLY

You should consult with your tax advisor about questions you have regarding the possible income, estate and gift tax consequences of selecting a deferred annuity or a Single Premium Universal Life Insurance policy.

<sup>1</sup> This assumes full distribution is taken at the time of death.

<sup>2</sup> Loans, if not repaid, and accessed policy riders reduce the policy's death benefit and cash values.

# Family Legacy<sup>SM</sup> Single Premium Universal Life Insurance

## Keeping your hard-earned money in the family

Family Legacy can help you increase the value of the assets you plan to leave to your beneficiaries. Family Legacy is designed to help maximize the transfer of assets to your beneficiaries while maintaining access to your money.

You have worked hard over the years and wisely saved your money for the future. Now you want to be able to pass on those assets to your loved ones after your lifetime. Family Legacy will help ensure that your assets will be transferred to your beneficiaries, just as you intended.

### How is this possible?

- Beneficiaries immediately receive a death benefit higher than the single premium.
- Assets are transferred to beneficiaries free of federal income tax under current federal tax law.
- Funds can be accessed through policy benefit riders,<sup>3</sup> policy loans, or full surrender.
- All policy cash values and death benefits are 100% guaranteed (minus any accessed policy riders, policy loans or loan interest).<sup>4</sup>
- Beneficiaries are generally allowed to avoid the delays and costs of probate.
- Simplified application and fast approval process.

### What is the best way to transfer?

- If you plan to leave assets to your loved ones after your lifetime and you would like to increase the amount of those assets by transferring them federal income tax-free under current federal tax law, single premium universal life insurance may be a suitable product for your needs.
- If you plan to rely on your assets, Family Legacy is not the most suitable product for you.

<sup>3</sup> Riders not available in all states. Accessing funds through riders is only available if the Insured meets the qualifications/certification requirements set forth in the rider.

<sup>4</sup> Guarantees are based on the claims-paying ability of the issuing company. Loans, if not repaid, and accessed policy riders reduce the policy's death benefit and cash values.

# Access advantages

Family Legacy Single Premium Universal Life Insurance allows you access to your assets should you need them. Consider these attractive features:

## Return of premium guarantee with no penalties<sup>5</sup>

If you ever decide to fully surrender your policy — for whatever reason — you'll get back 100% of your premium payment without policy charges (minus any accessed policy riders,<sup>6</sup> policy loans or loan interest).<sup>7</sup>

## Accelerated benefit riders<sup>6</sup>

### Chronic illness

You are eligible to receive up to 65% of the death benefit in a lump sum or monthly payments, if applicable, if you are certified by a licensed healthcare practitioner as unable to perform at least two of the six Activities of Daily Living for a period of at least 90 days.<sup>8</sup>

### Terminal condition

You are eligible to receive up to 75% of the death benefit in a lump sum amount if you are diagnosed with a terminal illness after the policy is issued.

## Policy loans<sup>7</sup>

Should you need access to the money in the policy, you can take policy loans that are repayable with variable loan rates. The loan rate is established prior to each anniversary of the policy and is guaranteed for the policy year. You may immediately borrow any amount up to the loan value.<sup>9</sup> Policy loans can be taken for any reason without the need for approval. For example, you might need a policy loan for nursing home or home healthcare costs, or even to pay for a child's college education.



<sup>5</sup> Guarantees are based on the claims-paying ability of the issuing company. Loans, if not repaid, and accessed policy riders reduce the policy's death benefit and cash values.

<sup>6</sup> Riders not available in all states.

<sup>7</sup> This is a Modified Endowment Contract. Under current federal tax law, loans are first taken from gains and then from your contribution to the contract; therefore, to the extent you have gains, such amounts will be taxable when taken as a loan. A 10% excise tax may apply to taxable distributions received from the policy if the policyholder is younger than age 59½. For further information, please consult a tax advisor.

<sup>8</sup> Your licensed healthcare practitioner must certify that you are unable to perform the Activities of Daily Living without substantial assistance or that you need "substantial supervision" due to a severe cognitive impairment. Please see your contract for more details.

<sup>9</sup> The loan value is the guaranteed cash value less any loan interest payable on the next policy anniversary.

# Family Legacy: A better option for asset transfer

SINGLE WITHDRAWAL	SINGLE PREMIUM UNIVERSAL LIFE INSURANCE	DEFERRED ANNUITY	INTEREST-BEARING ACCOUNT	STOCK/BOND
Beneficiaries immediately receive a death benefit higher than the single premium	<b>YES</b>	NO	N/A	N/A
Federal income tax-free death benefit <sup>10</sup>	<b>YES</b>	NO	N/A	N/A
Generally avoids the delays and costs of probate	<b>YES</b>	<b>YES</b>	NO	NO
Avoids market risk	<b>YES</b>	<b>YES</b>	<b>YES</b>	NO

*You should consult with your tax advisor regarding any income, estate and gift tax consequences.*

## Features

### Issue ages

- Coverage is available for clients age 55–85

### Premiums

- Death benefits are purchased with a one-time single premium
- Minimum premium: \$10,000
- Maximum premium: \$300,000 (ages 55-70)  
\$250,000 (ages 71-75)  
\$150,000 (ages 76-85)
- No additional premiums are allowed or permitted



## Create your legacy today

Our simplified approval process is fast and convenient.

If you have — or would like to build — a legacy for your beneficiaries, you should take a close look at Family Legacy. Talk to your licensed professional today about Family Legacy Single Premium Universal Life Insurance. You'll be glad you did.



<sup>10</sup> Under current federal tax law.

**For more information, please contact your investment professional.**

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