

Looking for life insurance that can also help retain key employees?

Do you know the power of **Optionality**®?

Our unique product features offer flexibility – the ability to use your life insurance benefits while you are still living.

Life insurance you don't have to die to use.



Problem: Create an executive bonus arrangement

Theresa owns a specialty flower shop and depends on manager Kathy (50) to keep the business running smoothly. She would like to reward Kathy for her efforts and at the same time encourage her to continue working until her retirement. She also wants this cost to be tax deductible to the company. After consulting with her financial advisor, Theresa establishes an executive bonus plan for Kathy.

More information contact:

Solution: A policy that benefits you and your business

Under this agreement, a \$1 million Secure Lifetime GUL 3 policy is purchased. The flexible features allow the policy to be structured with premiums to age 65 and a guarantee to age 105.

- The business pays the insurance premium as an executive bonus, which is tax-deductible as reasonable compensation to the company.
- The Secure Lifetime GUL 3 policy provides immediate \$1,000,000 death benefit protection for Kathy's family.
- Premiums: \$13,312 per year¹ paid for 15 years with company cash bonuses.
- Additional bonuses are made to Kathy to cover any tax liabilities.

Optionality in action

Kathy has life insurance coverage with no out-of-pocket expenditures as long as she remains employed with the flower shop. In addition: By age 80, the Secure Lifetime GUL 3 policy will have guaranteed cash value of \$86,723, which can be accessed if necessary.

- Costs are tax deductible by Theresa's company.^{2,3}
- Upon Kathy's retirement the policy is hers with no further premium requirements.
- Kathy is the owner of the policy and can name her own beneficiaries.
- If Kathy leaves the flower shop before age 65, she can take the policy with her and continue to make the required premium payments herself.

This extra benefit gives Kathy an incentive to remain with the flower shop until retirement age. And, as the policy owner, Kathy will have access to the guaranteed cash value accumulation of the policy should she need it.

The example presented is a hypothetical representation for illustrative purposes only.

¹ Quoted values based on female, issue age 50, Preferred Nontobacco underwriting class. Quote dated 9/27/2016 for the state of Texas.

² This information is general in nature, may be subject to change, and does not constitute legal, tax or accounting advice from any company, its employees, financial professionals or other representatives. Applicable laws and regulations are complex and subject to change. Any tax statements in this material are not intended to suggest the avoidance of U.S. federal, state or local tax penalties. For advice concerning your individual circumstances, consult a professional attorney, tax advisor or accountant.

³ Internal Revenue Code Section 162.



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All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. They are not backed by the broker/dealer and/or insurance agency selling the policy, nor by any of their affiliates, and none of them makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

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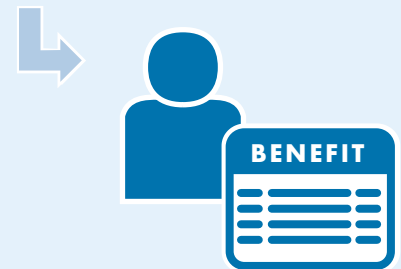
Theresa purchases policy for Kathy



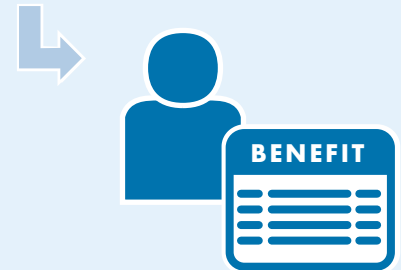
Optionality[®]



Premiums are tax-deductible by Theresa's company



Upon retirement, Kathy's policy is hers with no extra premiums



The policy provides a death benefit to Kathy's beneficiaries AND allows her access to the accumulated cash values if needed