

Secure Lifetime GUL 3 Return of Premium Feature

Enhanced Surrender Value Rider



Do you know the power of **Optionality**[®]? Adapt to changing circumstances with the **Return of Premium** feature

This multiple policy solution is for consumers seeking flexibility in their life insurance planning needs.

The Enhanced Surrender Value Rider provides two options:

- **Option 1:** Surrender the policy during the 60-day period following the end of policy year 20 and receive back 50% of premiums paid.¹
- **Option 2:** Surrender the policy during the 60-day period following the end of policy year 25 and receive back 100% of premiums paid.¹

Glen and his wife Susan, both 50 years old²

Objective: Glen wants to provide financial protection for his wife Susan in case he were to die prematurely but has some questions about the amount of coverage he should purchase.

Glen owns a successful small business that he plans to sell once he reaches retirement age. The objective is to use the proceeds from the sale of the business to support him and Susan during retirement.

Glen recently met with his financial professional Jordan to discuss his current financial situation as well as his goals for the future. During this meeting Jordan asked Glen what

would happen to Susan, who depends on Glen for support, if he were to die unexpectedly. Glen didn't have an answer. Jordan suggested that Glen should purchase life insurance protection to protect Susan.

Jordan suggests he purchase a guaranteed universal life insurance policy equal to the future projected income needs (\$1,000,000) that Susan would need after he passes away.

SECURE LIFETIME GUL 3
\$1,000,000 Death Benefit
Guaranteed to Age 105
Annual Premium for \$16,293 for 15 years
Total Premium Paid \$244,390

Glen agrees that he needs the insurance but questions the amount. What if he does live and ends up selling his business at retirement? Could he decrease the amount of insurance to save money since he would no longer need protection from an unexpected death? Jordan explains that once he has sold his business and retired, he could certainly lower the death benefit to a lesser future need of \$500,000. But what about all the premiums he has paid to cover the current \$1 million until then? This could be expensive. Is there a more flexible solution?

Solution:

A potential solution would be to purchase two Secure Lifetime GUL 3 policies; each with a death benefit of \$500,000. This still provides the entire \$1,000,000 of coverage but under two policies.

Benefit:

The return of premium feature (Enhanced Surrender Value Rider) provides greater flexibility for Glen. By owning two policies, at the end of the 20th policy year he has the option to surrender either policy and receive back 50% of the premiums paid or if year 20 wasn't the right time he could wait and use the 2nd option at the end of year 25 and receive back 100% of premiums paid! This action would assume he has sold his business and has enough money to support himself and Susan during retirement and leaving only the need for the \$500,000 for potential lost social security income, funeral expenses and financial support for Susan if Glen were to pass away first.

POLICY #1*	POLICY #2*
\$500,000	\$500,000
Guaranteed to Age 105	Guaranteed to Age 105
Annual Premium \$8,911 for 15 Years	Annual Premium of \$8,911 for 15 years
Total Premium \$133,664	Total Premium \$133,664

OPTIONALITY	SURRENDER POLICY #1	SURRENDER POLICY #2
Option 1	End of year 20 Receive back \$66,832	End of year 20 Receive back \$66,832
Option 2	End of year 25 Receive back \$133,664	End of year 25 Receive back \$133,664

¹ Premiums paid received - subject to no partial withdrawals or outstanding loans on policy. The Enhanced Surrender Value is capped at 40% of specified face amount; for example, the benefit under a policy with a \$1,000,000 specified amount could never be greater than \$400,000. See the Rider for details

² Not an actual case, and is a hypothetical representation for illustrative purposes only.

* Please see the basic illustration regarding guaranteed and nonguaranteed elements of the policy, including surrender values, accumulation values, loans, withdrawals, death benefits and other important information. Premium rates current as of September 28th, 2016, rates may vary by state.

Premiums available for other rate classes, ages and payment plans. Premium charges depend on evidence of insurability.

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Life Insurance with **Optionality**[®] - Your needs. Your choices. Your way.

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