LOVING GROWTH. LIVING DREAMS.

TRANSAMERICA FINANCIAL FOUNDATION IUL® II[1]

COLLEGE PLANNING WITH LIFE INSURANCE

Planning today for your children's college expenses can be challenging as costs continue to rise. The current annual cost for a public four-year, in-state college is $24,920, while the cost of a private nonprofit four-year college is $58,600.[2]

Assuming an inflation rate of 3%, the total cost of attending a four-year college in 15 years could range from approximately **$162,428** to as much as **$381,953** for a single child depending on the type of school they attend.[3]

[1] Talk to your sales professional about product availability.
[2] "Trends in College Pricing and Student Aid 2024," College Board, 2024
[3] Vanguard College Cost Projector, accessed online June 2025

Index universal life insurance is not a security, and index universal life insurance policies are not an investment in the stock market or in financial market indexes. Index account interest is based, in part, on index performance and do not participate in any stock or security. Past performance of an index is not an indication of future index performance.

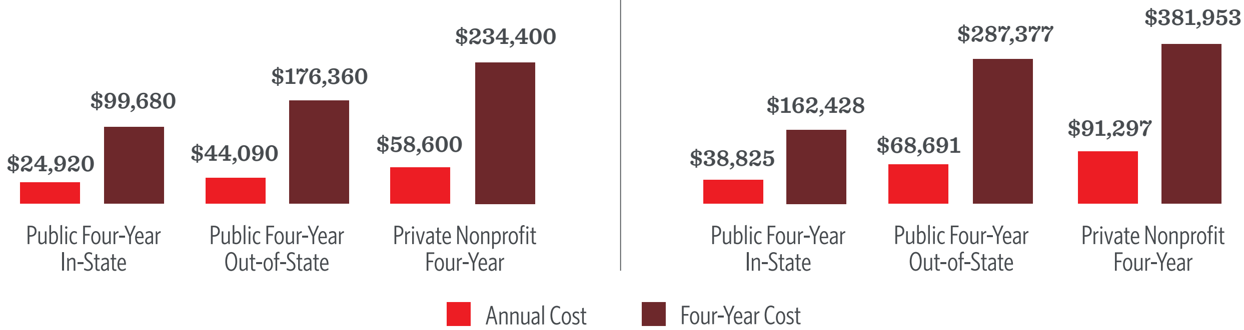
There is no guarantee that any excess index interest will be credited above the guaranteed minimum interest rate for the index account(s). Additionally, there is no guarantee that the company will declare an interest rate greater than the guaranteed minimum interest rate for the Basic Interest Account.

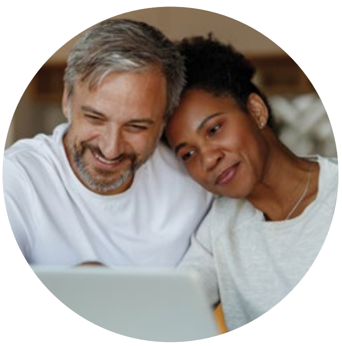
TRANSAMERICA®

CURRENT & PROJECTED FUTURE COLLEGE COSTS[1, 2]

2024–2025 COLLEGE EXPENSES: TUITION, FEES, ROOM AND BOARD

COLLEGE EXPENSES IN 15 YEARS: TUITION, FEES, ROOM AND BOARD[3]





SUPPLEMENTING A 529 PLAN WITH PERMANENT LIFE INSURANCE

To save for future college costs, many parents turn to 529 savings plans, which offer tax-deferred growth of account values and tax-free distributions when used for qualified education expenses. While 529 plans provide valuable benefits for families, using permanent life insurance as a supplement to a 529 plan can provide additional protection for your family if the unforeseen occurs while creating an additional source of tax-favored funds that can be used to help pay for future college costs or other supplemental income needs.

KEEP IN MIND

Cash value life insurance has many other considerations that you should review carefully before selecting a life insurance policy. Please keep these important points in mind:

- If you don't keep paying the premium on a life insurance policy, you will lose substantial money in early years.
- To be effective, a life insurance policy needs to be held in force until death.
- A life insurance policy generally takes years to build up a substantial cash value.
- Tax-free distributions will reduce cash value and the face amount of the policy.
- You may need to pay higher premiums in later years to keep the policy from lapsing.
- You'll have to qualify medically and financially for life insurance.
- Generally, there are many additional charges associated with a life insurance policy, including, but not limited to, a monthly administrative charge, index account monthly charge, cost of insurance charge, additional benefit rider costs, and surrender charges. A 529 plan involves investment management fees and charges.

TRANSAMERICA FINANCIAL FOUNDATION IUL II® (FFIUL II) AS A 529 PLAN SUPPLEMENT

DEATH BENEFIT PROTECTION	A tax-free death benefit can be used by your family to replace lost income and help pay for your children's college expenses.
INDEX-LINKED GROWTH WITH DOWNSIDE PROTECTION	Policy cash values have the potential to grow with excess interest crediting and offer protection from market downturns. Excess interest crediting is based, in part, on the performance of financial indexes.
TAX-FREE ACCESS WITH FLEXIBILITY	The cash value may be accessed tax-free through policy loans and withdrawals, used for any purpose, and is not limited to use for educational expenses.[4]
NOT COUNTED AS AN ASSET FOR FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA) PURPOSES	Based on current guidelines, if your child needs financial aid, a life insurance policy's cash value will not count as an asset in determining whether they qualify, and it is not required to be reported on a FAFSA® form.

[1] "Trends in College Pricing and Student Aid 2024," College Board, 2024
[2] Vanguard College Cost Projector, accessed online June 2025
[3] Assumes 3% rate of annual cost increase
[4] Loans, withdrawals, and death benefit accelerations will reduce the policy value and death benefit. Provided the policy is not and does not become a modified endowment contract (MEC), 1) withdrawals are tax-free to the extent that they do not exceed the policy basis (generally, premiums paid less withdrawals) and 2) policy loans are tax-free as long as the policy remains in force. If the policy is surrendered or lapses, the amount of the policy loan will be considered a distribution from the policy and will be taxable to the extent that such loan plus other distributions at that time exceed the policy basis.

HYPOTHETICAL CASE STUDY

Mike and his wife, Lindsay, have two young children, ages two and six months, and want to get a head start on planning for their children's college expenses. Having both recently paid off outstanding college tuition loans of their own, they would like to provide for their children's future college costs to help give them a leg up after graduation.

While they are currently contributing to a 529 savings plan for each of their children, they would like **to ensure they have enough funds to pay for future college expenses** if something happened to Mike.

Mike decides to purchase a *Transamerica Financial Foundation IUL® II* policy on his life to gain death benefit protection needed for his family while also accumulating tax-favored cash value that may be used to help pay their children's college expenses in the future.

Mike pays monthly premiums of **$500** to fund the policy with an initial face amount of **$133,000.** As the policy accumulates cash value, Mike and his family have access to an additional source of tax-free income they may use down the road when their children attend college. In the event of a premature death, Lindsay may use the policy proceeds to supplement their lost income and help pay future college costs.

COLLEGE PLANNING WITH FFIUL II

POLICY DETAILS

- Male, age 35, Preferred Elite
- Premium: **$6,000** premium (**$500** per month) for 16 years
- Face Amount: **$133,000**, Increasing Death Benefit
- Illustrated Rate: 7.25%
- Index Account: Global Index Account
- Distributions for College: Years 17–22
- Insured Tax Bracket: 28% (Blended Rate)

CUMULATIVE OUTLAY: $96,000

PROTECTION BEFORE COLLEGE[1]

$275,108

If something happened to Mike, the federal income tax-free death benefit may be used to help replace family income or saved for future college costs.

The initial death benefit of **$138,322** would grow to **$275,108** based on current policy charges and growth assumptions.

INCOME FOR COLLEGE

$144,000

Upon his elder daughter starting college, Mike elects to take tax-free withdrawals and loans[2] of **$2,000** per month for six years to help pay for college costs for both of his children.

PROTECTION AFTER COLLEGE[1]

$195,247

After using FFIUL II to help pay for his daughter's college costs, Mike still has a death benefit of **$195,247** at attained age 90.

[1] Non-guaranteed value

[2] Loans, withdrawals, and death benefit accelerations will reduce the policy value and death benefit. Provided the policy is not and does not become a modified endowment contract (MEC), 1) withdrawals are tax-free to the extent that they do not exceed the policy basis (generally, premiums paid less withdrawals) and 2) policy loans are tax-free as long as the policy remains in force. If the policy is surrendered or lapses, the amount of the policy loan will be considered a distribution from the policy and will be taxable to the extent that such loan plus other distributions at that time exceed the policy basis.

COLLEGE PLANNING WITH FFIUL II

SUMMARY VALUES (NON-GUARANTEED)

PLANNING STAGE	YEAR	AGE	ANNUAL PREMIUM	ANNUAL DISTRIBUTION	CASH SURRENDER VALUE	DEATH BENEFIT	DEATH BENEFIT IRR%[1]	TAX-EQUIVALENT YIELD[2]
PROTECTION BEFORE COLLEGE (Years 1-16)	1	36	$6,000		$2,303	**$138,322**	2205.37%	3063.02%
	5	40	$6,000		$28,050	**$163,375**	63.07%	87.60%
	10	45	$6,000		$70,697	**$204,845**	21.59%	29.98%
	15	50	$6,000		$128,507	**$261,507**	12.48%	17.33%
	16	51	$6,000		$142,108	**$275,108**	11.55%	16.04%
INCOME FOR COLLEGE (Years 17-22)	17	52	$0	**$24,000**	$126,200	$251,108	10.59%	14.71%
	18	53	$0	**$24,000**	$109,213	$227,108	9.86%	13.69%
	19	54	$0	**$24,000**	$91,114	$203,108	9.28%	12.89%
	20	55	$0	**$24,000**	$71,824	$179,108	8.84%	12.27%
	21	56	$0	**$24,000**	$51,222	$154,848	8.49%	11.79%
	22	57	$0	**$24,000**	$29,262	$130,103	8.21%	11.40%
PROTECTION AFTER COLLEGE (Years 23+)	23	58	$0		$30,787	**$129,123**	7.95%	11.04%
	25	60	$0		$34,168	**$127,103**	7.49%	10.41%
	35	70	$0		$58,098	**$115,715**	6.00%	8.34%
	45	80	$0		$102,357	**$111,339**	5.25%	7.29%
	55	90	$0		$181,464	**$195,247**	5.30%	7.36%

[1] Your Death Benefit IRR is the compounded annual interest rate which the cumulative premiums paid minus distributions would have to earn in order to generate the total death benefit your beneficiaries would receive if the insured passed away in a given year. The Death Benefit IRR includes any withdrawals and loans taken from the policy when determining this rate. Because death benefits are generally paid income tax-free and withdrawals up to basis and loans during the lifetime of the insured are income tax-free so long as the policy is not a MEC, taxes are not included in the Death Benefit IRR calculation.

[2] The Tax Equivalent Yield is the rate of return that would be required to equal the Death Benefit IRR shown, assuming a hypothetical 28% applied tax rate. Various investments have varying potential rates of taxation. Tax Equivalent Yield = Tax Exempt Yield / (1 - assumed tax rate). In this illustration, we have substituted Tax Exempt Yield with the Death Benefit IRR in the previous formula to demonstrate the benefits of the tax treatment of life insurance, but this illustration does not portray the taxation of other types of assets.

The example shown is derived from a complete hypothetical illustration which assumes non-guaranteed elements will continue for all years. This is not likely to occur and actual results may be more or less favorable. All non-guaranteed elements are subject to change by the company. Keep in mind that the purpose of hypothetical illustrations is to show how a policy might work under different scenarios, including minimum interest rates at maximum guaranteed charges. Illustrations may not be used to predict or project future policy values. Prospective policy owners should refer to a complete, personalized hypothetical sales illustration for guaranteed elements and other important information as well as the consumer brochure for the *Transamerica Financial Foundation IUL® II*.

This policy is first and foremost a life insurance policy. The main purpose is to provide a death benefit. It is not a short-term savings vehicle nor is it for short-term insurance needs. It is designed to be long term in nature and should be purchased only if you have the financial ability to keep it in force for a substantial period of time.

This brochure is not intended to be a full description of the policy. Refer to the *Transamerica Financial Foundation IUL® II* consumer brochure, the life insurance policy, current Cap rates, Statement of Understanding, and a personalized hypothetical illustration for a complete explanation of the terms.

Transamerica and its representatives do not give investment recommendations, tax, or legal advice. These materials and the concepts presented are for informational purposes and should not be viewed as an investment recommendation, tax, or legal advice. Any investment, tax, or legal advice you require should be based on your particular circumstances and should be obtained from an independent professional advisor.

Even though the interest credited to the policy's index accounts may be affected by the index(es), this life insurance policy is not an investment in the stock market(s) or financial market index(es) and does not participate in any stock or investments.

The *Transamerica Financial Foundation IUL® II* (Policy Form ICC24 TPIU12IC-0224 and TPIU12xx-0224) is an index universal life policy issued by Transamerica Life Insurance Company, Cedar Rapids, Iowa. Policy form number may vary, and this product may not be available in all jurisdictions.

TRANSAMERICA®

There for every chapter.

Visit: transamerica.com

Contact your financial professional for more information on how a *Transamerica Financial Foundation IUL II* policy can help you create a college planning strategy.

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