



BRINGING THE BENEFITS TO LIFE

**LIFE INSURANCE WITH
LIVING BENEFIT RIDERS**

Underwritten by Transamerica Life
Insurance Company



Employees work hard to build a good life for themselves and their families. This includes helping ensure their loved ones are taken care of, regardless of what the future holds. Life insurance, and living benefit riders, are designed to help.

LIFE INSURANCE THAT FITS REAL-LIFE NEEDS

We don't believe in a one-size-fits-all approach to life insurance. So, you can offer an array of options (riders) that can help employees choose what best meets their individual needs. In the event of the unimaginable, we help protect employees from financial hardship with a benefit that can pay for final expenses, loss of household income, a mortgage, childcare, or any other financial obligation.

Whole Life and Universal Life insurance are not intended to replace an employer's existing supplemental life insurance, but complement it for more comprehensive protection. All three products include guaranteed issue coverage and the ability for an employee to keep their coverage when they retire or leave the company.

LIFE INSURANCE OPTIONS:



Term Life Insurance

Term life insurance offers financial protection with lower premiums¹ for a specified period of time. This option is available in 5-, 10-, or 20-year term lengths depending on the intended purpose of the life insurance and when important milestones are met. Policies are available in face amounts ranging from \$10,000 to \$500,000.



Whole Life Insurance

Whole life insurance helps safeguard families for the long run. Whole life is permanent² life insurance that offers level premiums with a guaranteed death benefit, and accumulates cash value³ that can be accessed in case of an emergency. Policies are available in face amounts up to \$500,000, and can help with costs associated with final expenses, such as funeral and burial costs.



Universal Life Insurance

Universal life insurance is a flexible permanent² life insurance option that pulls double duty with a death benefit and a cash value component. In addition to helping families with finances after the policyholder passes, the policy's cash value grows tax-deferred until funds are withdrawn — whether it's needed now, or the family needs it later.³ Policies are available in face amounts ranging from \$10,000 to \$500,000 and offer the flexibility to change the amount and frequency of premium payments as long as there's sufficient cash value in the policy to cover monthly deductions.

¹Can increase upon renewal.

²It is important to note that the insurance could lapse prior to the maturity date based on the planned periodic premiums, guaranteed interest rate, and guaranteed cost of insurance charges, or for non-payment of premium.

³Loans, withdrawals, and death benefit accelerations will reduce the policy value and the death benefit and may increase lapse risk. Policy loans are tax-free provided 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.

54%

of employees indicated life insurance is the voluntary benefit they are most interested in.⁴



LIFE INSURANCE WITH OPTIONS FOR TODAY'S WORLD

Fixed Amount of Time	Face Amount Flexibility	Guaranteed Cash Value	Death Benefit	Living Benefit Riders Available
●	●	● ●	● ● ●	● ● ●



Term Life Insurance



Whole Life Insurance



Universal Life Insurance

LIVING BENEFIT RIDERS AVAILABLE⁵

Accelerated Death Benefit for Chronic Condition Rider — pays 4% of the policy value each month for up to 25 months if the insured has severe cognitive impairment or can't perform two or more of six specific activities of daily living (bathing, dressing, transferring, toileting, continence, and eating) for at least 90 days. It does not require institutionalization or that the condition be permanent.

Extension of Benefits Rider — adds up to 25 more months of accelerated benefits and a 25% paid-up policy (only if the insured initially chooses monthly benefit payments over a lump sum benefit).

Benefit Restoration Rider — restores 100% of the original death benefit.⁷

Accelerated Death Benefit for Critical Care Condition Rider — pays a one-time lump sum if the insured is diagnosed with a covered critical condition such as heart attack, stroke, organ transplant, renal failure, and some cancers.

Accelerated Death Benefit for Terminal Illness Rider — pays the accelerated death benefit for a terminal condition that will result in death within 12 months.

SECURITY FOR WHEN THEY NEED IT MOST

Life insurance with a living benefit rider not only provides a death benefit, but can also be used during an employee's lifetime.

If an employee is diagnosed with a qualifying condition, having a living benefit rider on their life insurance policy can provide income to help cover expenses by accelerating the death benefit.⁵

This can be used to pay for financial needs like treatment costs, mortgage, debt, or any care provided by a family member or facility.⁵ This simple action can help take the caregiving burden off of your employees' loved ones and offer options for employees that may not have family members to help.

\$7,200

the amount American family caregivers spend a year on out-of-pocket costs.⁶

⁴ Survey: 3 in 4 Employees Consider Voluntary Benefits as a Deciding Factor. Corestream, September, 2021.

⁵ Riders may not be available in all states.

⁶ "Family Caregivers Spend More Than \$7,200 a Year on Out-of-Pocket Costs," AARP.com, June 2021

⁷ Not all products can include both the Extension of Benefits and Benefit Restoration riders.

SCENARIO EXAMPLES

Here's how different options could benefit employees.

1

Term Life Insurance Death Benefit (no rider)

Age 40, non-tobacco

Monthly premium:

\$28.67

Insured passes at age 45 and beneficiary receives:

\$100,000

Hypothetical example assumes a *TransSelect*® 10-year term, initial face amount of \$100,000, and premiums paid to age 45 of \$1,720.

2

Whole Life Insurance Death Benefit

Age 30, non-tobacco

Monthly premium:

\$49.58

Insured passes at age 80 and beneficiary receives:

\$50,000

Hypothetical example assumes a *Transamerica Interest Sensitive Whole Life Insurance*™ policy with an initial face amount of \$50,000, and premiums paid to age 80 of \$29,748.

3

Whole Life Insurance Cash Value

Age 30, non-tobacco

Monthly premium:

\$49.58

Surrenders policy at age 60 and insured receives:

\$18,253

Hypothetical example assumes a *Transamerica Interest Sensitive Whole Life Insurance*™ policy with an initial face amount of \$50,000, and premiums paid to age 60 of \$17,848.80.

4

Universal Life Insurance with Chronic Condition Rider

Age 35, non-tobacco

Monthly premium:

\$35.79

Insured develops a chronic condition at age 50 and receives a monthly benefit of \$2,000 for 25 months for a total benefit of:

\$50,000

Hypothetical example assumes a *Transamerica Universal Life Insurance*™ policy with an initial face amount of \$50,000, and premiums paid to age 50 of \$5,099.

5

Universal Life Insurance with Chronic Condition Rider + Extension of Benefit Rider (EXT)

Age 35, non-tobacco

Monthly premium:

\$38.00

Insured develops a chronic condition at age 50 and receives a monthly benefit of \$2,000 for 25 months + an additional monthly benefit of \$2,000 for another 25 months (50 months total) + a paid-up death benefit of \$12,500 for a total benefit of:

\$112,500

Hypothetical example assumes a *Transamerica Universal Life Insurance*™ policy with an initial face amount of \$50,000, and premiums paid to age 50 of \$6,840.



For an extra \$2.21 per month, the insured can double their accelerated death benefit and restore 25% of the policy value with a paid-up death benefit certificate.

6

Universal Life Insurance with Chronic Condition Rider + EXT + Restoration Rider⁸

Age 35, non-tobacco

Monthly Premium:

\$40.39

Insured develops a chronic condition at age 50 and receives a monthly benefit of \$2,000 for 25 months+ an additional monthly benefit of \$2,000 for another 25 months (50 months total)+ a restored death benefit of \$50,000 for a total benefit of:

\$150,000

Hypothetical example assumes a *Transamerica Universal Life Insurance*™ policy with an initial face amount of \$50,000, and premiums paid to age 50 of \$7,270.20.



For an extra \$2.39 per month the insured can double their accelerated death benefit and fully restore their policy value back to \$50,000 with the restoration rider.



ADD MORE LIFE TO THEIR BENEFITS

Chronic Condition Rider⁸

- The Chronic Condition Rider provides an accelerated death benefit if the insured needs assistance with at least two out of the six Activities of Daily Living (ADLs).
- After a 90-day waiting period, the Chronic Condition Rider provides a 4% monthly benefit (4% of the policy value), up to 25 months (can vary by state).
- This rider does not require the insured to be institutionalized for a benefit to be paid. Care could be at home, in assisted living, at a nursing home, or hospital.
- The 4% benefit is a cash benefit paid directly to the insured without any limitation on how it is used.

Extension of Benefits Rider Details⁸

- The Extension of Benefits (EXT) Rider, pays an additional monthly benefit (4% of the policy value) for up to an additional 25 months (starting in month 26). With the Chronic Condition Rider and the EXT, the insured can receive up to 50 months of payouts.
- As soon as the first monthly benefit is paid under the EXT, we will also issue a paid-up certificate for 25% of the death benefit (100% if the Benefit Restoration Rider is also selected) that was in force on the date the first Chronic Condition Rider payment was made on the policy. This paid-up insurance will have no cash or loan values. Not available if the insured elects to receive a one-time lump sum benefit under the Chronic Condition Rider.
- The insured potentially has access to up to 225% of the life insurance face amount with the Chronic Condition Rider, EXT, and 25% paid-up policy if the Restoration Rider is not included.

Restoration Rider⁸

- Restores 100% of the contract values that were reduced when benefits were paid under the Accelerated Death Benefit for Chronic Condition Rider.



With the Chronic Condition, Restoration, and Extension Riders combined,⁸ employees could receive up to 3x the initial benefit.

⁸ Not available for all products in all states.



TRANSAMERICA®

Talk to your Transamerica representative about how life insurance with a living benefit rider can help employees and their families.

 **Visit:** transamerica.com

Up-to-date information regarding our compensation practices can be found in the disclosures section of our website at tebcs.com.

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