

FCIUL II **VS.** FFIUL II



Transamerica Financial Choice IULSM II (FCIUL II) is designed for affluent clients seeking choice and flexibility through tax-free¹ supplemental income. FCIUL II offers life insurance protection and a variety of index options and policy features to help maximize accumulation potential and make it easy to access cash value. It can help your clients fuel their possibilities, faster.

Transamerica Financial Foundation IUL[®] II (FFIUL II) is suitable for a wide variety of clients and provides growth potential and a tax-free¹ death benefit. FFIUL II offers domestic and global index account options, a guaranteed minimum interest rate, and a variety of riders² — including living benefit riders for chronic, critical, and terminal illness, *Concierge Planning RiderSM*, and the Long Term Care Rider — all to help customize protection for your clients' needs.

| | FCIUL II | FFIUL II |
|--|--|---|
| Client Profile | Affluent clients who may have maxed out all qualified plans available or cannot contribute to Roth IRAs due to high income | Broad middle market, emerging affluent, and small-business owners |
| Product Focus | Offers life insurance protection and a variety of index options and policy features to help maximize accumulation potential and make it easy to access cash value for supplemental income needs | Multipurpose life insurance with death benefit, growth potential, downside protection, tax advantages, and flexible riders to help clients personalize for comprehensive coverage |
| Optimal Design | Maximum funding over short durations (5 to 10 years) or to retirement with minimum non-MEC face amount | Fund at target premium (or more) up to planned retirement age with a needs-based initial death benefit face amount |
| Minimum Face Amount | \$250,000 | \$25,000 |
| Premium Funding | Max funding; large premiums (7-pay, etc.) | Premiums (e.g., target solves) to fit with household budgeting |
| Index Account Options | Global Index Account, Global Plus Index Account, S&P 500 [®] Index Account, S&P 500 [®] Plus Index Account, Balanced Uncapped Index Account, Fidelity SMID Multifactor Index SM Account | Global Index Account, S&P 500 [®] Index Account, Basic S&P 500 [®] Index Account (No IAMC), Balanced Uncapped Index Account |
| Persistency Credit³ | ✓ | |
| Index Loans⁴ | ✓ | |
| Living Benefit Riders | ✓ | ✓ |
| Long Term Care Rider | | ✓ |
| Concierge Planning RiderSM, Powered by Everest Funeral Concierge⁴ | | ✓ |

¹ Clients may access the policy's cash value to receive tax-free supplemental income when needed, as long as the policy is not a modified endowment contract (MEC).

² Riders and benefits have specific limitations, may incur additional costs, and may not be available in all jurisdictions. For complete details, including charges, terms, and conditions of each rider and exact coverage provided, please contact the sales desk.

³ The Persistency Credit is a discretionary credit that may or may not be paid.

⁴ Index Loans allowed after the 5th policy anniversary.

⁵ The funeral concierge services and any associated warranty provided by Everest Funeral Package, LLC are solely provided by Everest Funeral Package, LLC, not by Transamerica Corporation or any of its affiliates. Everest[®] is a federally registered service mark of Everest Funeral Package, LLC. Not available in AK, MI, NY, OR, PR, or VA.

CASE DESIGN: BEST PRODUCT FIT

| | FCIUL II | FFIUL II |
|--------------------------------------|----------|----------|
| Target Funding: No Income | | ✓ |
| Target Funding: Withdrawals & Income | | ✓ |
| Max. Non-MEC Funding: Income | ✓ | |
| Max. Non-MEC Funding: No Income | ✓ | ✓ |



FCIUL II

HYPOTHETICAL CLIENT SITUATION OVERVIEW

MATT, 40-YEAR-OLD, IN GOOD HEALTH

- Corporate executive earning **\$350,000** per year
- Contributing maximum to 401(k) and would like to fund a Roth IRA but earns too much to contribute

WANTS

- Life insurance protection
- To set aside additional dollars for supplemental retirement income

ILLUSTRATION DETAILS

Product Risk Class: Preferred Elite | Account Option: Balanced Uncapped Index Account (100%) | Illustrated Rate: 6.57% | Increasing Death Benefit Option

FCIUL POLICY DESIGN

- » **\$25,000** annual premium to age 65 and an initial face amount of **\$449,000**
- » Begin receiving **\$111,804** of tax-free⁵ income starting at age 66 using index loans⁶
- » Cash surrender value of **\$1,388,649** at age 65 to supplement his retirement income
- » Receive **\$2,795,100** of supplemental retirement income from ages 66–90 and is projected to leave a death benefit to his family of **\$581,589** at age 90

This hypothetical example assumes a male, age 40, Preferred Elite risk class, \$250 monthly premium for lifetime, assuming 6.57% index growth rate in the Balanced Uncapped Index Account, and increasing death benefit option. Illustration run on 9/26/2024 and is subject to change.

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 Choice IULSM II*. At the guaranteed minimum interest rate and guaranteed charges, this policy lapses in year 29.

⁵ Clients may access the policy's cash value to receive tax-free supplemental income when needed, as long as the policy is not a modified endowment contract (MEC). Illustrations include hypothetical values that reflect non-guaranteed elements continuing for all years.

⁶ The company reserves the right to discontinue index loans at any time and convert existing index loans to conventional loans.

WANTS

- Access to policy cash value through loans and withdrawals
- LTC Coverage
- Critical Illness protection
- Peace of mind offered through the *Concierge Planning Rider (Concierge PlanningBenefitSM in FL and MD)*



FFIUL II

HYPOTHETICAL CLIENT SITUATION OVERVIEW

MARY, 35-YEAR-OLD, IN GOOD HEALTH

- Primary earner of the household
- Life insurance protection
- Has a budget of **\$300** per month and wants to purchase as much coverage as possible, funding until age 65

ILLUSTRATION DETAILS

Product Risk Class: Preferred Elite | LTC Rider Risk Class: Preferred | Account Option: Global Index Account (100%) | Illustrated Rate: 7.25% | Increasing Death Benefit Option

FFIUL II POLICY DESIGN

- » **\$300** per month Target Face Solve gives her an initial death benefit of **\$374,000** that grows each year as the policy cash value grows through the increasing death benefit
- » When Mary is 70 and has paid in **\$108,000** over 30 years, the policy cash value has grown to **\$208,495**; and after switching the death benefit to level at age 65, the death benefit has grown to **\$582,495**

This hypothetical example assumes a female, age 35, Preferred Elite risk class, \$250 monthly premium for lifetime, assuming 7.25% index growth rate in the Global Index Account, and increasing death benefit option. Illustration run on 9/26/2024 and is subject to change.

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*. At the guaranteed minimum interest rate and guaranteed charges, this policy lapses in year 32.

SCENARIO 1

Mary at age 71 decides she needs to begin taking money out of her policy to supplement her retirement income for the next 20 years.

Mary can take out **\$16,992** annually each year over the next 20 years. The total amount she will be able to access through withdrawals and loans⁷ over that 20-year span is **\$339,840**.

If the policy's Death Benefit Option is not Level when the Company approves the Accelerated Death Benefit request, the Company will change the Death Benefit Option to Level, make any Face Amount changes in accordance with the policy, and adjust the Available Death Benefit accordingly.

SCENARIO 2

At age 70, an unforeseen event happens that qualifies Mary for long term care. Mary has a benefit of **\$582,495** available to her through the Long-Term Care Rider⁸ to help pay for the qualified long term care expenses, which is outlined in her plan of care.

If Mary exhausts her entire benefit of \$582,495, her policy will still have a residual paid-up death benefit of **\$10,000**. This ensures that the policy will not lapse while she is alive.

SCENARIO 3

At age 63 Mary is diagnosed with a qualifying critical illness⁹ that reduces her life expectancy to 10 years, and she files a critical illness claim.

The accelerated payout that Mary would receive in this nonguaranteed example would be **\$286,057**, and the policy's base face amount would be reduced by **\$498,669**.

⁷ Loans, 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.


⁸ Benefits paid under the LTC Rider will reduce the life insurance policy's death benefit and Cash Surrender Value. Policy owners should consider whether their life insurance needs would still be met if LTC Rider benefits are paid out in full. There is no guarantee that the LTC Rider will cover all of the costs associated with long term care that the insured incurs during the period of coverage.


⁹ Benefits provided through the Critical, Chronic, and Terminal Illness Accelerated Death Benefit Riders are subject to certain limitations and exclusions. The actual benefit paid to the policy owner will be less than the amount that is accelerated because the amount is discounted to reflect early payment of the policy's death benefit. Administrative fees per request apply. Amounts payable under the Critical and Chronic Illness Riders vary based in part on the nature and severity of the insured's health condition and the insured's remaining life expectancy at the time of the acceleration as determined by the company. Riders should not be the sole basis to purchase any life insurance policy. Benefits paid under accelerated death benefit riders will reduce the life insurance policy's death benefit and policy value. Consideration should be given to whether life insurance needs would still be met if rider benefits are paid out in full.



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The increasing death benefit option will result in higher monthly deductions over the life of the policy than the level death benefit option.

Transamerica Financial ChoiceSM IUL II (Policy Form ICC24 TPIU11-0224 or TPIUxx-0224) and *Transamerica Financial Foundation IUL® II* (Policy Form Number ICC24 TPIU12-0224 or TPIU12xx-0224) are index universal life policies issued by Transamerica Life Insurance Company, Cedar Rapids, Iowa. All products may not be available in all jurisdictions.

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