



The benefits of single premium life

Great for wealth transfer, LTC
alternatives, and old life policies.

Single premium life

Single premium life (SPL) is a type of insurance in which a lump sum of money is paid into the policy in return for a death benefit that is guaranteed until the client passes.

Some SPL policies also give you tax-free access to the death benefit to pay for long-term care expenses. The death benefit remaining in the policy when the client passes will pass income tax-free to their beneficiaries. If the client doesn't use any of the death benefit for long-term care needs, the money will go to their loved ones as they had originally planned.

Why SPL is popular

- Low rates on CD's and savings accounts.
- High cost of long-term care.
- Old cash value life plans that are no longer wanted can be transferred into an single premium life plan via tax-free 1035 exchange.
- Death benefits pass tax-free.
- Avoids probate.
- Liquidity.
- Simplified issue underwriting.

What SPL provides

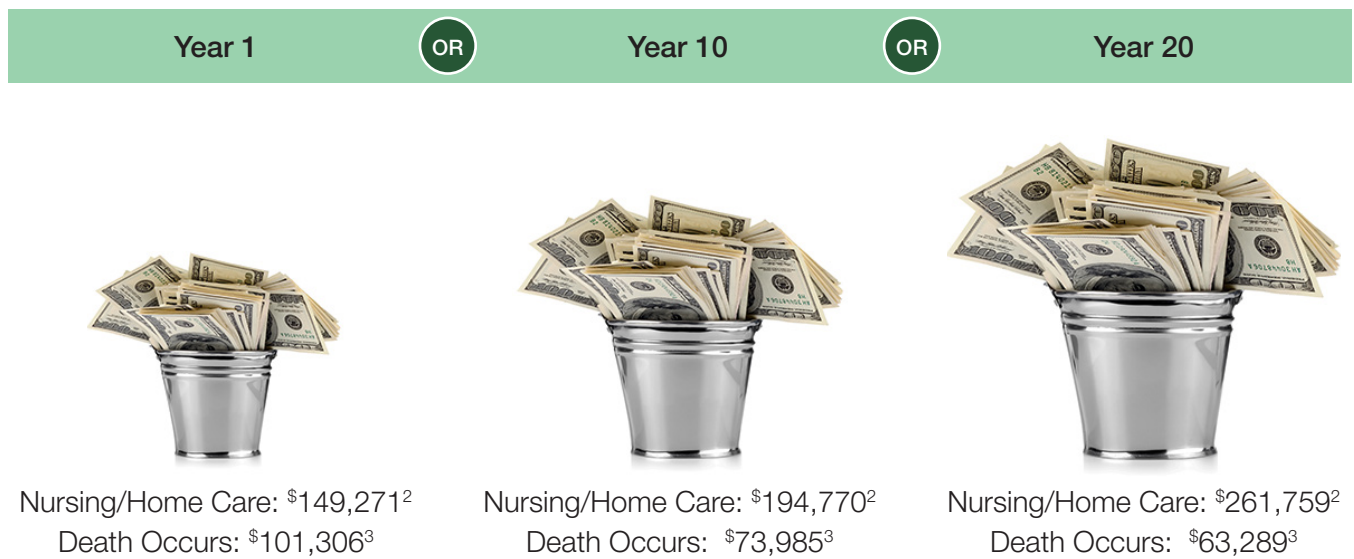
- Immediate death benefit, generally free from income taxes.
- Tax-deferred growth, your cash value grows tax-deferred within the policy – as your policy value increases, so may your death benefit.
- Access to your death benefit due to chronic illness, terminal illness, or nursing home confinement.
- Clients are provided security knowing that they have long-term benefits without having to purchase a use it or lose it stand-alone policy.

Custom-designed life insurance policy with living benefits example:



Anita is a 65-year-old, female, non-smoker with \$50,000 earmarked for her grandchildren when she passes. She is concerned about health-related expenses during her lifetime, such as chronic illness needs, home health care, or nursing home care.

Anita uses her \$50,000 to purchase a single premium life (SPL) plan. The chart below shows the potential benefits of her SPL plan in the event she requires home or nursing care confinement, or she passes. Shown are the values her policy will provide at three different timelines.



¹ Coverage is not guaranteed. Issuance is based on answers to medical questions on the application.

² Benefits may be paid for Home Health Care or Nursing Care. Benefit total is based on a 6 year payout with 3% compound interest.

³ Values shown assume no loans, partial surrenders or living benefits have been taken. Actual amounts will vary by age, gender and policy options applied for.

This policy may be a modified Endowment Contract (MEC) as defined by IRS section 7702A. Your personal Tax Advisor can provide important information with respect to any purchase of a single premium life policy. Policies and Riders may not be available in all States. This information is intended for general use with the public. This material should not be construed as investment advice.