

# ALLIANCE SOLUTIONS ADVANTAGE TERM

*Living benefits included at  
no additional premium cost*



TERM LIFE INSURANCE OFFERED BY:



an **LEGON**® company



*Alliance Marketing Group LC,  
is an independent  
contractor representing  
Western Reserve Life  
Assurance Co. of Ohio*



# Life happens.

# Are you prepared?

*Sometimes we are surprised by what happens in life. One of the most important assets we have is our health and our ability to earn a living. If that ability is taken away, what would happen to us?*

*It is important to protect our family. One way to do this is through life insurance with living benefits. Most people think life insurance just pays out at death. However, that is not how our plans work. Our life insurance has "living benefits" - meaning you do not have to die to use them! It protects you for Terminal, Critical and Chronic illness as well as death!*

## Illness

*We may become Terminally, Chronically or Critically Ill*

- Men have a one in two risk of developing cancer during their lifetime and women have a one in three risk!<sup>1</sup>
- Every 40 seconds someone in the United States has a stroke.<sup>2</sup>
- Every 26 seconds, someone suffers a heart attack.<sup>3</sup>
- 3 out of 4 people (75%) over the age of 40 will experience a critical illness at some point in their future.<sup>4</sup>

## Death

*We may die too soon*

- 93% of Americans surveyed by the LIFE Foundation Stated they believe most people should have life insurance.<sup>5</sup>
- 68 million of American adults are uninsured.<sup>6</sup>

1. "Cancer Facts and the War on Cancer". LIMRA. 2007.

2. American Heart Association. "Heart Disease and Stroke Statistics." 2010.

3. American Heart Association. "Heart Disease and Stroke Statistics." 2007.

4. Center for Disease Control, 2009.

5. [www.loma.org/content/public/documents/lic/licarticle\\_nov08.pdf](http://www.loma.org/content/public/documents/lic/licarticle_nov08.pdf)

6. [www.iii.org/Press\\_Releases/If-you-have-financial-dependents-Life-Insurance-is-a-necessity.html](http://www.iii.org/Press_Releases/If-you-have-financial-dependents-Life-Insurance-is-a-necessity.html) Sept. 2009



*Plan  
Today  
to  
Protect  
Tomorrow*

*Chronic  
Illness  
Benefit*

*Critical  
Illness  
Benefit*

*Terminal  
Illness  
Benefit*

$$= \text{Living Benefits} + \text{Death Benefit} = \text{One Solution}$$

*Solutions*

# Life Happens

*Does your policy allow you these options?*



## **Ben**

Married with two children, Ben was diagnosed with colon cancer at the age of 45. He has a \$200,000 death benefit. He uses his Critical Illness Accelerated Death Benefit Rider to access his benefits and withdraws \$100,000. He uses this money to pay for unpaid medical expenses and to replace income from not working.



## **Sam**

Sam, a family man, is diagnosed with a terminal illness at age 58. He uses the money from the Terminal Illness Accelerated Death Benefit Rider to pay off his mortgage and take his family on a vacation.



## **Mary**

Mary, age 77, becomes chronically ill. She can no longer stay in her home, so she moves into an assisted living facility. She utilizes her Chronic Illness Accelerated Death Benefit Rider which provides her with a monthly benefit of \$2,500 to help her pay for these added expenses.



## Life Insurance

There are many reasons why term life insurance may be the right choice for you:

- Home mortgage protection
- Business needs or objectives
- Help you meet your goals for your family
- Provide coverage at an economical cost today with the option to convert it to a permanent policy if and when necessary

### **No one likes to think about dying...but it happens every day**

The benefits from your policy can be used to help meet your family's needs, whether it is paying the mortgage, college tuition, final expenses or to assist with basic everyday needs that would allow your loved ones to continue to live with dignity.

**Term Period Options:** There are options of 10, 15, 20, 30 or 40 year term periods available. You can choose the option that best fits your family's goals and budget.

- The face amount you elect is *guaranteed*<sup>1</sup> to remain level during the term period.
- Your premium is *guaranteed*<sup>1</sup> to remain level during the term period.

<sup>1</sup>Guarantees are based on the claims paying ability of WRL.

*Solutions*

## Living Benefits included at no additional premium cost

Our living benefits give you the choice to accelerate the death benefit in the event of a Terminal, Critical or Chronic Illness. This policy gives you the flexibility and protection at times when you may need it most.

### **The living benefit riders included at NO ADDITIONAL PREMIUM COST are\*:**

Terminal Illness Accelerated Death Benefit Rider  
Chronic Illness Accelerated Death Benefit Rider  
Critical Illness Accelerated Death Benefit Rider

### **What are the eligibility requirements?**

**Terminal Illness:** includes a condition resulting from injury or illness which has reduced life expectancy to not more than 12 months from the date of the physician's statement (not more than 24 months in Texas, Georgia, Illinois, Massachusetts and Washington).

**Chronic Illness:** is being unable to perform two of the six activities of daily living (bathing, continence, dressing, eating, toileting and transferring) without assistance from another person, or being severely cognitively impaired for at least 90 consecutive days.

**Critical Illness:** includes heart attack, stroke, ALS (Lou Gehrig's disease), diagnosis of certain cancers, kidney failure and major organ transplants.

### **Are there waiting periods?**

The Terminal Illness rider does not have a waiting period. The Chronic Illness rider has a 90 consecutive day waiting period before benefits are available. The policy must be in force for two years before Chronic Illness benefits are payable. The Critical Illness rider does not provide benefits for a qualifying event that occurs on or before the 30th day following the effective date of the policy. Waiting periods may vary by state.

### **What is the maximum amount of benefit available?\*\***

For the Terminal Illness Rider, the policy owner can accelerate up to 100% of their initial death benefit or \$500,000 whichever is less.

For the Chronic Illness Rider, the policy owner can accelerate up to 24% of the initial death benefit amount annually. The benefit can also be accessed monthly up to 2%; quarterly up to 6% or semi-annually up to 12% of the death benefit. The maximum lifetime benefit is 90% of the death benefit or \$500,000, whichever is less.

For the Critical Illness Rider, the policy owner can elect to accelerate 90% of the initial death benefit. The maximum lifetime benefit is the death benefit or \$500,000, whichever is less.

The maximum total amount of lifetime benefits that can be accelerated for any Insured under all accelerated benefit riders is \$500,000.

\* The policy's benefits, values and premiums will be reduced proportionally in accordance with the benefits advanced under these riders. Benefits advanced under any of these riders may be subject to taxation. Therefore, please consult a qualified tax advisor regarding any possible tax consequences. Once total benefits are paid for either the Chronic or Critical rider, both riders will terminate. The 90 and 30 day waiting periods listed respectively under the Chronic and Critical riders may vary by jurisdiction. Riders and Rider Benefits have certain limitations, definitions and exclusions. For complete details, including terms and conditions of each rider and exact coverage provided, please refer to your policy.

\*\*In the state of IL, for the Chronic and Critical Illness Riders, maximum lifetime benefit is 75% of the death benefit or \$500,000, whichever is less.



**How does the company determine the amount of payout that someone will receive?**

There are many factors involved to calculate the benefit. Key factors include the amount of death benefit accelerated, future premiums due and the life expectancy of the insured. Because the death benefit is being paid months or even years before it would usually be paid, the death benefit that you accelerate in the event of a Terminal, Critical or Chronic illness will be reduced to take into account the various factors.

Determining the current value of the future death benefit takes into account the fact that money usually grows over time. If you put money away now, it will probably be worth more in the future, so it follows that a payment you would expect to get in the future is worth less today. For example, when someone wins

the lottery, they have a choice of taking a lump sum now or payments over a number of years. If they take the lump sum, the amount a person receives is always less as it is determined by taking the net present value - as an example, if a person won \$1,000,000, they may only receive \$550,000 if they take it now.

A similar concept applies when determining the payout for a Terminal, Critical or Chronic Illness - the death benefit accelerated is reduced to account for the fact that it's being paid early. In addition to calculating the present value of the death benefit, we charge an administrative fee, and we factor in the premiums that would have been paid until the death benefit payment and discount those.

Bottom line, the more severe/life threatening your condition, the shorter your life expectancy and the more benefit you will receive.

## **Living Benefits included at no additional premium cost** (continued)

### **If I take a “partial” election (instead of the full amount available), can I have access to rest of the benefit at a later date?**

Yes. You do not have to take the full election at initial claim time.

### **If I elect an acceleration of 90% for a critical or chronic illness, will I still have life insurance (death benefit) inforce?\***

Yes! This means, at minimum, 10% of the death benefit will remain.

For example, if someone has a \$100,000 death benefit and accelerates 90% due to a critical or chronic illness, the insured still has a \$10,000 death benefit remaining. The less you accelerate, the more death benefit you will have remaining.

### **Can the money really be used for anything?**

Yes. This is a great feature that allows the owner to determine how the benefits are used. The proceeds can be used to help with medical expenses, help pay mortgage or other bills, or however the owner chooses.

### **Who is the check made out to?**

It is made out directly to the owner of the policy.

### **Unemployment Benefit Rider**

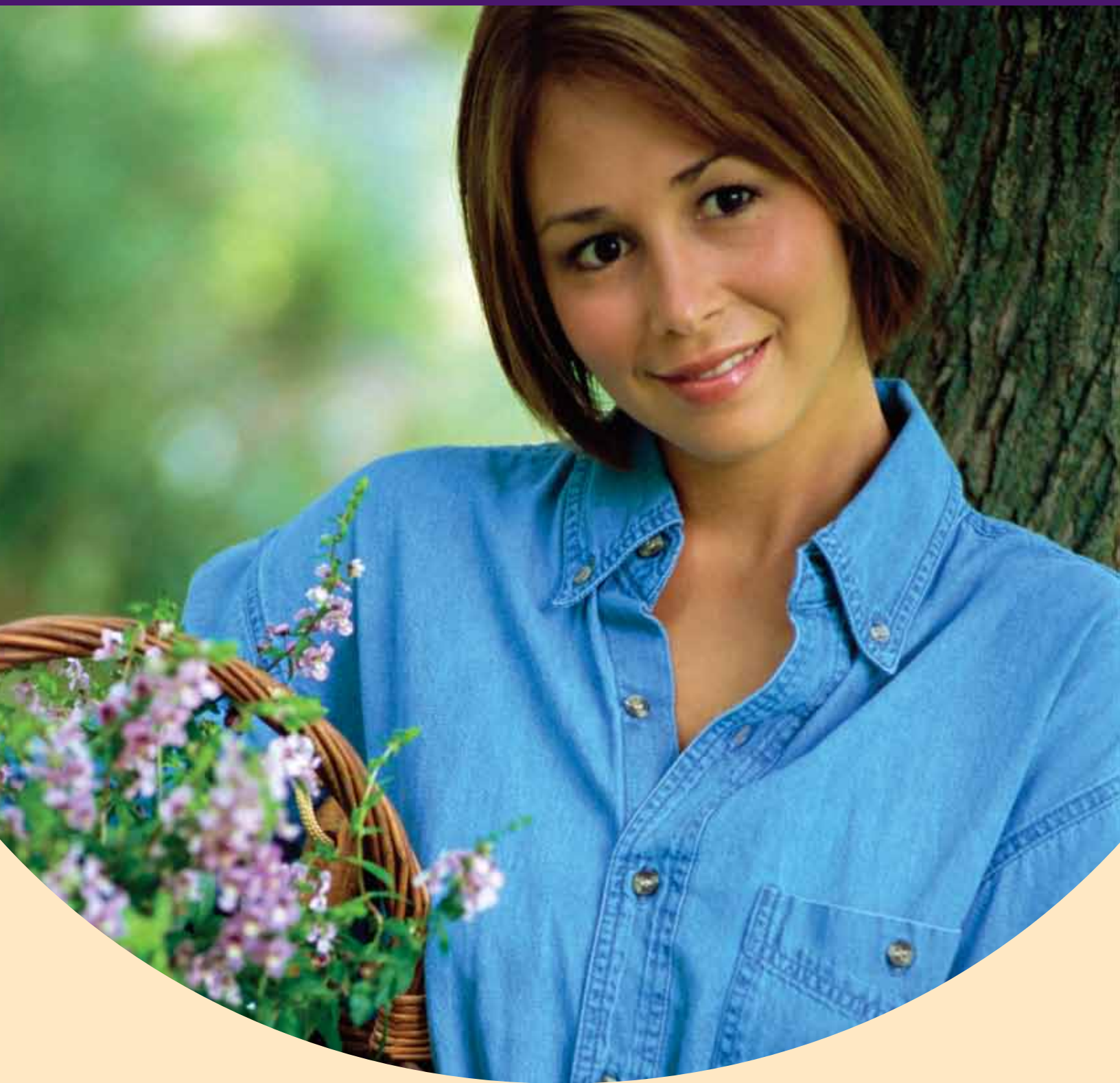
This benefit is automatically included in your policy. If you are between the ages of 18 and 60, and you become involuntarily unemployed for 90 consecutive days and currently receiving state paid unemployment benefits (if available), your premiums will be waived for three months. You can utilize this benefit once in your lifetime. This rider terminates when you reach age 65.

This benefit is not available with your policy for the following states: California, Florida, Maryland, Massachusetts, Minnesota, Missouri, Montana, North Dakota, South Carolina, Tennessee, Vermont, Virginia, Washington.

\*\*In the state of IL, for the Chronic and Critical Illness Riders, maximum lifetime benefit is 75% of the death benefit or \$500,000, whichever is less.



*Solutions*



*Alliance*

## Value Added Riders available at additional premium cost

### **Monthly Disability Income Rider\***

Your most valuable asset is your ability to earn a living. This optional rider provides a monthly income to help pay your mortgage, or cover other expenses when you are disabled.

You may choose between two options:

- **2 year benefit:** This option provides benefits for up to two years while you are totally disabled and cannot perform the duties of your own occupation as defined in the rider. There is a 90 day waiting period; however, benefits will be paid retroactively once you are totally disabled for at least 90 consecutive days.
- **5 year benefit:** This option provides benefits for up to five years while you are totally disabled. For the first two years, it will provide benefits while you cannot perform the duties of your own occupation, as defined in the rider. For the remaining three years, the rider will pay benefits if you cannot perform the duties of any occupation, as defined in the rider, that you are suited for by education, training or experience. There is a 180 day waiting period before benefits are provided.

These riders are not available on a 10 year term period. Certain occupations are ineligible for coverage. Definitions may vary by jurisdiction.

### **Waiver of Premium Benefit Rider\***

This optional rider will waive the premiums on your policy after you are totally and continually disabled for six months. While you remain totally disabled, premiums will be waived each

month. Rider coverage will cease following your 65<sup>th</sup> birthday.

### **Children's Benefit Rider\***

This optional rider provides a death benefit on your insured dependent children until they reach age 25 or until marriage. A dependent child is a child, step child or legally adopted child of the insured who is at least 15 days old and no older than 17 years on the date of application. This rider is convertible to any permanent life insurance policy, made available by the Company at the time of conversion, for up to five times the rider benefit amount or \$50,000, whichever is less, without evidence of insurability.

### **Return of Premium Benefit Rider\***

The Return of premium feature gives you the term life insurance coverage you need while returning the premiums you have paid if you do not use the policy. It is available on the 20 or 30 year term policies. The return of premium benefit returns all premiums paid for the base policy and this rider, net of any loans, at the end of the initial term period.<sup>1</sup>

Substandard premiums and other rider premiums are not returned. Payment is made at the end of the term period chosen at issue, assuming all premiums have been paid and the contract is still in force. If the return of premium benefit is terminated prior to the end of the term period, a portion of the premiums paid may be returned and the base policy can continue. If the insured dies while the policy is in force and a claim is payable, only the death benefit will be paid and no premiums will be returned.

\*For complete details including terms and conditions of each rider and exact coverage provided, please refer to your policy.

<sup>1</sup>The return of premium benefit is provided under an Intermediate Endowment Benefit Rider. In Florida, the return of premium benefit is available through a separate policy (TL14 0709) in which the endowment benefit is inherent.

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## **WRL – Strength and Security of an Industry Leader**

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Western Reserve Life is an AEGON company. AEGON N.V. is an international life insurance, pension and investment company based in The Hague, the Netherlands with major operations located in the U.S. AEGON has businesses in over 20 markets in the Americas, Europe and Asia and its companies employ nearly 28,000 people and have over 40 million customers across the globe.

Depending on the state of issue, your Policy may be an individual Policy or a certificate issued under a group Policy. The Policy is subject to the insurance laws and regulations of each state or jurisdiction in which it is available for distribution. All state specific Policy features will be described in your Policy.

Policy Form # ICC09 TL12 0709, TL12 0709, TL14 0709  
Terminal Illness Accelerated Death Benefit Rider # T101 0305  
Chronic Illness Accelerated Death Benefit Rider # CRN01 1005  
Critical Illness Accelerated Death Benefit Rider # CRT01 1005  
Unemployment Benefit Rider # UBR01 1005  
Monthly Disability Income Rider # MDI01 1005, MDI02 1005  
Waiver of Premium Benefit Rider # WPR03 0405  
Children's Benefit Rider # CR03 1005  
Intermediate Endowment Benefit Rider # RPR04 0809



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