

Foresters  
Financial

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Presents

# Advantage Plus Whole Life Insurance Medically Underwritten



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# Agenda

## Advantage Plus

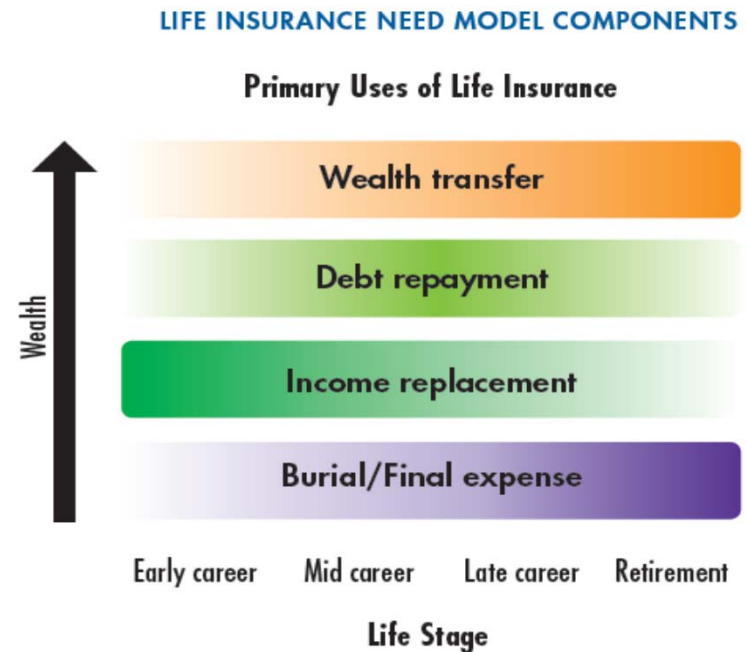
- Opportunity
- Product highlights
- Sales strategies



Underwritten by The Independent Order of Foresters

## Where is the opportunity?

- Taking a look at life insurance needs as they relate to life stages
  - Early career
  - Mid career
  - Late career
  - Retirement



# Medically Underwritten Advantage Plus

## Delivering a solution- Advantage Plus

- Medical death benefit options
  - Issue age (age nearest birthday) & death benefit limits
    - Band # 1: (less than \$500,000)

Ages	Minimum D.B.	Maximum D.B.
0-15	\$50,000	\$499,999
16-70	\$100,000	\$499,999
71-75	\$50,000	\$499,999
76-85	\$25,000	\$499,999

- Band # 2: (over \$500,000)
  - Available for all issue ages
  - Maximum: subject to underwriting approval (illustration maximum of \$10m; anything over subject to home office approval)
- This is a participating whole life certificate
- Death benefit options
  - Face amount plus (if any) accumulated paid-up additions and/or dividends on deposit, minus debt (exclusive of all other riders)

## Delivering a solution- Advantage Plus

### – Underwriting classes

- Juvenile (issue ages 0-15)
- Non-Tobacco
  - Preferred Plus Non-Tobacco
  - Preferred Non-Tobacco
  - Non-Tobacco Plus
  - Non-Tobacco
- Tobacco
  - Tobacco Plus
  - Tobacco
- For issue ages 71-85, Preferred Plus, Preferred, Tobacco Plus, and Non-Tobacco Plus underwriting classes available only with a minimum face amount of \$100,000



## Delivering a solution- Advantage Plus

- **Premiums**
  - Paid-up at age 100
  - 20-Pay
  - **Note: A Premium Deposit Fund is available, subject to state variations and premium restrictions**
- **Benefit period**
  - Endowment at age 121
- **Cash value**
  - Guaranteed and vary based on gender and tobacco status



## Delivering a solution- Advantage Plus

– Premium modes & minimums

Premium Mode	Minimum Premium	Modal Factors
Monthly PAC	\$25 (\$17 ages 0-15)	.0875
Quarterly	\$75 (\$51 ages 0-15)	.26
Semi-Annual	\$150 (\$102 ages 0-15)	.51
Annual	\$300 (\$204 ages 0-15)	1.00

– Certificate fees

Premium Mode	Fee
Monthly PAC	\$6.30
Quarterly	\$18.72
Semi-Annual	\$36.72
Annual	\$72





## Delivering a solution- Advantage Plus

- **Dividend options\***
  - Paid-up additions (default selection)
  - On deposit with interest, minimum 3.5%
  - To reduce premiums
  - Paid in cash
  
- **Non-forfeiture options**
  - Cash surrender
  - Reduced paid-up
    - Default
    - Minimum face amount of \$1,000
  - Automatic premium loan
    - Mode change to monthly if applicable

\* Dividends are not guaranteed and vary by gender, band, smoker, preferred/standard, and premium-pay period.

## Delivering a solution- Advantage Plus

### – Certificate loans:

- Non-direct recognition
- Available if the certificate is in effect and has a positive cash surrender value
- Certificate used as collateral
- Interest rate
  - U.S. variable loan rate (set annually), currently 5%
  - Interest charged daily
- Death benefit payable is net of the outstanding certificate loan amount(s) (including accrued interest)
- If the loan amount exceeds the cash value plus the present value of PUAs and dividends on deposit amount the certificate will terminate



## Delivering a solution- Advantage Plus

### – Surrender

- Certificate may be surrendered for its cash value at any time
  - Full surrender
    - » Guaranteed cash value plus any paid-up additions and/or accumulated dividends less any debt
  - Partial surrender
    - » Allowed only from paid-up additions
    - » Minimum partial surrender is \$500

### – Grace Period

- 31 days from due date of the total premium that was due on the premium date
- If the insured dies during the grace period, we will reduce the death benefit payable by the overdue amount.

### – Certificate Lapse

- Subject to the non-forfeiture and automatic premium loan provisions, the certificate will lapse without cash surrender value as of the end of the 31st day of the grace period if you have not paid the total premium by that day.

## Delivering a solution- Advantage Plus

### – Reinstatements

- **Within 3 years of the date of lapse, subject to:**
  - Evidence of insurability
  - Payment of:
    - » Unpaid premiums
    - » Existing debt
    - » Applicable interest
      - Interest on unpaid premium (not to exceed 6%)
      - Interest on loans will not exceed Foresters variable loan rate in effect at the time of reinstatement

## Charity Benefit Provision

- Contractual provision is automatically included, at no additional premium, on all Advantage Plus certificates
  
- Upon death of insured, the provision pays an additional 1% of base face amount
  - Maximum payment under provision: \$100,000
  - Not reduced by any ABR claims
  - Benefit is paid in the name of the life insured
  
- Beneficiaries:
  - Must be named prior to the death of the insured
  - Must be classified with the IRS as a charity under section 501(c)(3) of the Internal Revenue Code and eligible to receive charitable contributions as defined in section 170(c) of that code
  - Allows for multiple beneficiaries
  - May be changed at any time prior to the death of the insured

## Offering options for your client- Advantage Plus

### Riders available:

- **Value added riders:  
(automatically included for no additional premium)**
  - Accelerated Death Benefit Rider
  - Family Health Benefit Rider
  - Common Carrier Accidental Death Rider
  
- **Optional riders (available for additional premium):**
  - Paid-up Additions Rider (available as single or flexible payment)
  - 10 Year Term Rider
  - 20 Year Term Rider
  - Guaranteed Insurability Rider
  - Disability Income Rider (Accident only)
  - Waiver of Premium Rider
  - Accidental Death Rider
  - Children's Term Rider



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# Thank you!

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