

Benefits for Living

Discover living benefits within a life policy

Universal Life Insurance Policy Benefits:

Flexibility

Premium and death benefit flexibility with the option to access policy benefits during lifetime.

Options

Income-tax free Living Benefits in the event of a chronic illness at no additional cost through the Accelerated Benefits Rider.¹ No waiting period to accelerate benefits.

There are no restrictions placed on the use of the benefits received; benefits may be used for any expense including:

- Uncovered medical expenses
- Home modification
- Pay for an informal caregiver
- Travel

Guarantees²

Regardless of where interest rates go, the policy is guaranteed to never earn less than 3.00%.

Guaranteed death benefit to attained age 120.

The chronic illness rider allows the policyholder the option to accelerate only a portion of the death benefit and convert the balance to a guaranteed paid-up contract.

Selecting a life insurance policy that also provides living benefits gives your clients an extra advantage as it is designed to change with the events of their lives. By providing financial security for survivors through death benefit protection as well as lifetime financial security to cover costs associated with a chronic illness, your clients can be protected no matter what lies around the bend.



Universal Life Insurance and applicable riders are underwritten by National Life Insurance Company. LifeVentures Corp. is independent of National Life and has no financial obligation under the life insurance policy. Riders are optional and may not be available in all states.

¹ Receipt of Accelerated Benefits may be taxable and may affect eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children, and Supplemental Security Income. Prior to applying for Accelerated Benefits, policy owners should seek assistance from a qualified tax advisor and consult with the appropriate social services agency concerning how receipt will affect the eligibility of the recipient and/or the recipient's spouse or dependents.

² Guarantees are dependent upon the claims-paying ability of the issuing company.

Quick Reference Guide

Product	Universal Life Insurance ³
Issue age	0-85
Minimum Face Amount	\$250,000
Maximum Policy with living benefits	\$2,000,000; additional face amount requires separate policy. No policy fee will apply to second policy.
Coverage Period	Death benefit to age 120
Surrender Schedule	19 year schedule or to age 99 if sooner
Policy Loans/Withdrawals ⁴	Available after the first policy year
1035 Exchange with Loans	Available for up to 50% of the gross exchange amount
Interest Rate Crediting Method	New Money
Minimum Guaranteed Interest Rate ²	3%
Rate Classifications ⁶	<ul style="list-style-type: none">• Elite Preferred (issue ages 20 - 70)• Preferred Non-Smoker (issue ages 20 - 80)• Standard Non-Smoker (issue ages 0 - 85)• Preferred Smoker (issue ages 20 - 80)• Standard Non-Smoker (issue ages 20 - 85)
Rider	Accelerated Benefits Rider for Covered Chronic Illness ⁵ Availability: New York new issue only.
Annual Accelerated or Living Benefit Amount	Limited to the indexed IRS per diem limit - \$102,200 for 2009, subject to annual indexing - less any benefits being received from other insurance policies or other sources as a result of Chronic illness.
Accelerated Benefit Qualification	Certification from a licensed health care practitioner that insured is unable to perform 2 out of 6 ADLs or cognitive impairment. Each year they receive a benefit they must present proof of re-certification. ADLs: Eating, Toileting, Transferring, Bathing, Dressing and Continence
Death Benefit Option	If policy is option B at time of first acceleration, it will be changed to Option A.
Cash Value & Policy Loans	All policy loan value will be deducted from the policy values during calculation of the Accelerated Benefit. As a result, there will be no outstanding debt owed to us against any life insurance that remains in force on the policy following an acceleration.
Other Rider Availability	All other riders, except ADB and ABR terminal, will be terminated at the first acceleration. Those riders that are eligible can be converted.
Table Ratings	All table ratings

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³ Form series 8522/8523

⁴ Policy loans and withdrawals reduce the policy's cash value and death benefit and may result in a taxable event.

⁵ Form series 8591NY(0109)

⁶ See underwriting requirements for rate classification definitions.

The following Generic Illustrations summarize the death benefit and accelerated income benefit amounts, based on 5 and 10 year life expectancy, for a 45 year old male, preferred nonsmoker with a \$2,000,000 level face amount policy. Generic Illustration I assumes a chronic illness at age 55, and Generic Illustration II assumes a chronic illness at age 70. Both illustrations assume the owner elects to pay up the remaining life insurance.

Generic Illustration I		Maximum 1-Year Benefit \$102,200		50% of Maximum 1-Year Benefit \$51,100	
		Immediately Before Acceleration	Immediately After Acceleration ^a	Immediately Before Acceleration	Immediately After Acceleration ^a
Face Amount	5 YEAR	\$2,000,000	\$1,829,795	\$2,000,000	\$1,914,101
	10 YEAR	\$2,000,000	\$1,736,847	\$2,000,000	\$1,867,192
Death Benefit (net of loans)	5 YEAR	\$2,000,000	\$1,829,795	\$2,000,000	\$1,914,101
	10 YEAR	\$2,000,000	\$1,736,847	\$2,000,000	\$1,867,192
Current Accumulated Value ^b	5 YEAR	\$246,274	\$225,315	\$246,274	\$235,697
	10 YEAR	\$246,274	\$213,870	\$246,274	\$229,920
Current Cash Surrender Value ^b	5 YEAR	\$212,814	\$194,703	\$212,814	\$203,674
	10 YEAR	\$212,814	\$184,813	\$212,814	\$198,682

Generic Illustration II		Immediately after the 1st 1-Year Income Benefit Paid ^a	Immediately after the 2nd 1-Year Income Benefit Paid ^a	Immediately after the 3rd 1-Year Income Benefit Paid ^a	Immediately after the 4th 1-Year Income Benefit Paid ^a	Immediately after the 5th 1-Year Income Benefit Paid ^a
		1-year Income Benefit ^c	5 YEAR	\$105,850	\$107,967	\$110,126
	10 YEAR	\$105,850	\$107,967	\$110,126	\$112,329	\$114,575
Cumulative 1-year Income Benefit ^c	5 YEAR	\$105,850	\$213,817	\$323,943	\$436,272	\$550,848
	10 YEAR	\$105,850	\$213,817	\$323,943	\$436,272	\$550,848
Death Benefit (net of loans)	5 YEAR	\$1,846,584	\$1,698,009	\$1,551,912	\$1,407,588	\$1,264,475
	10 YEAR	\$1,783,535	\$1,575,417	\$1,372,704	\$1,174,649	\$980,619
Current Cash Surrender Value ^b	5 YEAR	\$953,193	\$876,500	\$801,085	\$726,586	\$652,713
	10 YEAR	\$920,648	\$813,218	\$708,579	\$606,345	\$506,188

Policy Owner Chooses Not to Pay Up Policy: The \$2,000 monthly premium is sufficient, based on current illustrated rates, to result in no additional premium being due after the first acceleration.

These illustrations of benefits are hypothetical and will not reflect your clients issue age, underwriting class, or face amount. Benefits and values are not guaranteed. Actual results may be more or less than illustrated.

The \$105,850 accelerated benefit in Example 1 is received in consideration of a \$170,205 reduction in the death benefit and a \$18,111 reduction in cash surrender value. The \$52,925 accelerated benefit in Example 2 is received in consideration of a \$85,899 reduction in the death benefit and a \$9,140 reduction in cash surrender value.

a Assumptions used in the calculation of benefits: (1) Accelerated Benefit Interest Rate of 8.0% for Generic Illustration I and 6.0% for Generic Illustration II; (2) the mortality table described in the policy; (3) no future monthly premium required to fund the policy's death benefit on a whole life basis; (4) and an Underwriting & Administrative Fee of \$1,000. Benefits would be lower if future monthly premium were required to fund the policy's death benefit on a whole life basis. Future premiums may be required if the policy were funded at a lower level, if interest credits are lower than assumed, or if charges are higher than current charges.

b Accumulated values and Cash Surrender Values based upon a monthly premium of \$2,000, an annual effective credited rate of 6% in years 1-5 and 6.5% thereafter and current charges. In Generic Illustration II, the Cash Surrender Value immediately before the 1st 1-Year Income Benefit is \$1,032,385.

c The maximum benefit is based on the IRS per diem limit of \$102,200 in 2009 projected to increase at 2% per year. Actual changes in future per diem limits may be higher or lower.

Universal Life Insurance with living benefits

This policy can help address your client's financial needs for death benefit coverage for their loved ones, as well as provide them with access to their death benefit in the event of a chronic illness.

Situation A

Your client's insurance coverage pays an income-tax free death benefit to their beneficiaries.

OR

Situation B

If they experience a chronic illness, your clients can use their income-tax free death benefit during their lifetime

Each year your clients can elect to take an accelerated benefit payment if they continue to suffer a long term illness.

Option 1

Continue to pay premium for increased death benefit and cash value

OR

Option 2

Remaining death benefit paid-up with no additional premiums required

Universal Life Insurance provides your client's family with an income-tax free death benefit they can use to:

- Pay taxes and other final expenses
- Maintain their lifestyle and protect their future financial security
- Pay education expenses for their children

Plus, your client's policy builds cash value³ income-tax deferred which your clients can use during their lifetime for such needs as:

- Meeting financial emergencies
- Paying for a child's college expenses
- Creating a stream of income for retirement

This product is a life insurance policy with a rider that accelerates the death benefit on account of chronic illness and is not a health insurance policy providing long term care insurance subject to the minimum requirements of New York Law, does not qualify for the New York State Long Term Care Partnership program and is not a Medicare supplement policy.



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