

# FINDING THE RIGHT **FIT**



The concept of life insurance is simple: Protect tomorrow by planning today. But for clients, choosing the right type might be overwhelming. That's where we come in.

## **FOR FAMILIES AND INDIVIDUALS**

The loss of a loved one can be one of the most devastating events a family can go through. Those left behind not only have to deal with grief, but often financial hardship as well. A life insurance death benefit can help replace lost income and provide a cash resource for additional expenses. A well-designed plan could help with:

- Medical expenses and funeral costs
- Mortgage payments
- Child care costs
- College loans
- Supplemental retirement income
- Other cash needs such as a down payment on a house or car

## **TAX BENEFITS**

Whether life insurance is being used to help protect a family or a business, it has some important tax benefits:

- The death benefit, in most cases, is free from federal income taxes (IRC SEC. 101(a)(1))
- Earnings in cash value are tax-deferred
- Loans and withdrawals taken against the cash value may be tax-free

## **FOR BUSINESSES**

A business relies on important resources, like its people and cash flow, to be successful. Life insurance can also be key to the continued success of a business. Clients could use the death benefit or cash value to:

- Help protect against financial problems when a key employee passes away
- Provide cash needed to help buy a deceased owner's interest in the business
- Help purchase ownership interest when an owner leaves the business
- Be a source of funds if credit is hard to access
- Make nonqualified deferred compensation payments

## **EXPLORING THE OPTIONS**

We want to make it easy for you to quickly compare Transamerica's life insurance tools. That way you can spend more time doing what matters most – helping clients create brighter financial futures

*Your logo here*

| Types of insurance   | Term   | Index Universal Life   | Final Expense   | Whole Life  |
|----------------------|--|--|---|---|
| Description          | Coverage for a specified period of time. Level premiums with no cash value accumulation. | Permanent coverage with flexible premiums. Cash value accumulation potential through index account options.  | Permanent coverage with level premiums. Cash value accumulation through a fixed, minimum interest rate. | Permanent coverage with level premiums. Cash value accumulation through a fixed, minimum interest rate. |
| Objective            | Provides affordable temporary insurance  | Provides permanent life insurance coupled with the potential to accumulate cash value that can help pay premiums or be accessed as loans and withdrawals | Provides a death benefit to help cover burial and final expenses  | Provide guaranteed death benefit, guaranteed cash value, and guaranteed premiums                        |
| Length of Coverage   | Specified number of years (additional years available at higher premium)                 | Lifetime   | Lifetime  | Lifetime  |
| Flex Premium         | No   | Yes  | No  | No  |
| Death Benefit        | Fixed  | Flexible   | Fixed   | Fixed   |
| Cash Value           | N/A  | Potential policy value growth through excess index interest credited to index accounts; guaranteed minimum interest rate credited                        | Guaranteed minimum interest rate credited   | Guaranteed minimum interest rate credited   |
| Access to Cash Value | N/A  | Loans and withdrawals  | Loans and withdrawals   | Loans and withdrawals   |