

INDEXED WHOLE LIFE INSURANCE

A gift for life – Prestige Indexed 10 Pay

Gifting annual premiums on an indexed whole life insurance policy can help establish a financial foundation for a child's entire life.

For many clients, retirement isn't just a time to relax, it's an opportunity to focus on their loved ones, soaking up as much time as they can get with kids and grandkids. It can also be an opportunity to establish a solid financial foundation for future generations, and gifting annual premiums on a permanent life insurance policy may be a viable option for many clients.

A Prestige Indexed 10 Pay whole life insurance policy can be an excellent product choice for this strategy because it features:

- Growth that's based, in part, on index performance,¹ offering accumulation potential that may be higher than other life insurance products
- A 0% floor on returns, offering protection from losses due to market declines²
- Guaranteed cash value accumulation, a guaranteed death benefit and level, guaranteed premium payments
- Only 10 years of premium payments required for the policy

Let's look at the strategy in action: **Meet Anne, Richard and Amanda.**

64-year-old Anne, and her husband, 68-year-old Richard, retired from their respective careers as a small business owner and an attorney two years ago. They did well for themselves throughout their working lives, built a substantial nest egg and have been enjoying time to relax and spend with their son, Alex. Last year, Alex and his wife, Jennifer, had their first child, Amanda.



Anne



Richard



Amanda




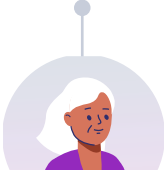
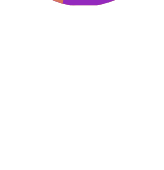
Anne and Richard knew they wanted to do something to help Amanda financially, but weren't sure what.

On the recommendation of their financial professional, they ultimately decided to use a portion of their annual gift tax exclusions – a total of \$20,000 each year – to establish a trust in Amanda's name and fund a Prestige Indexed 10 Pay life insurance policy.³

Her grandparents' gift may give Amanda the flexibility to access the policy's cash value throughout her life to meet a variety of financial needs while providing a long-term death benefit.

How Amanda could use her Prestige policy

As a fully paid-up policy, Amanda may be able to rely on her policy's growth throughout her entire life. On top of all that, her policy has a death benefit that she can use to leave her own legacy.⁴ All because her grandparents planned ahead, and gave her an important head start.

		Current cash surrender value ⁴	Loan amount ⁴
	Amanda, age 2 Grandparents Anne and Richard establish a trust in Amanda's name and fund a Prestige Indexed 10 Pay policy with \$20,000 annual premium payments. .	N/A	N/A
	Amanda, age 18 Scholarships, contributions from her parents and loans from the Prestige policy help Amanda go to college without racking up significant debt.	\$301,222 (Year 16)	\$20,000 annually (Ages 18-21)
	Amanda, age 29 Amanda uses a policy loan to follow in her grandmother's footsteps and start her own small business.	\$426,053 (Year 27)	\$15,000
	Amanda, age 33 Amanda uses a policy loan to help buy her first home.	\$517,472 (Year 31)	\$50,000
	Amanda, age 52 Amanda uses policy loans to help her own children attend college.	\$1,402,073 (Year 50)	\$30,000 annually (Ages 52-56)
	Amanda, age 60 Amanda uses policy loans to supplement her retirement income.	\$2,008,460 (Year 58)	\$50,000 annually (Ages 60-89)



Prestige Indexed 10 Pay can help your clients give their loved ones a head start too.

**Contact our Sales Support team at
877.665.2468 (option 1)
to learn more.**

A universe of possibilitiesSM

¹ Interest linked growth is based in part on the movement of the selected market index and is subject to applicable caps, spreads and/or participation rates.

² The policy's account value may still decline due to cost of insurance charges and expenses deducted.

³ Clients should consult with their tax and legal advisors when conducting legacy planning.

⁴ Hypothetical example assumes a 2-year-old female, nonsmoker rate class. Assumes 5.60% illustrated interest rate and index loans taken at ages shown. Results depicted are based upon current, non-guaranteed rates. Non-guaranteed results may be more or less favorable than those shown. Loans will reduce the death benefit available. If the policy loan balance exceeds the available loan value, the policy will terminate and a taxable event may occur.

Indexed whole life insurance is issued by AuguStarSM Life Assurance Corporation. Guarantees are based upon the claims-paying ability of the issuer. Policy, policy features and rider availability vary by state. Issuer not licensed to conduct business in NY.

AuguStarSM Life Insurance Company

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