

---

ASSURITY LIFE INSURANCE COMPANY'S  
Whole Life Insurance

# PRODUCT GUIDE

## *Legacy Estate Maximizer Portfolio*

A Family Wealth Protector and Asset Builder

**For Agent use only.**

Product availability and features vary by state.  
Policy Forms I L0730, I L0735, I L0740, I L0745  
Rider Forms R I0731, R I0732, R T54, R T55, R T56



## Table of Contents

<b>Plan Overview</b> .....	4
<b>Calculating Joint Equal Age</b> .....	5
<b>Uses for Legacy Estate Maximizer Product Portfolio</b> .....	6
<b>Available Riders</b> .....	6
<b>Underwriting Guidelines</b> .....	7
<b>Policy Writing Details</b> .....	10
<b>Underwriting Impairment Guide</b> .....	11
<b>Frequently Asked Questions</b> .....	12
<b>Application Checklist</b> .....	14
<b>Height and Weight Chart</b> .....	14

Policy Forms | L0730, | L0735, | L0740, | L0745

If the insured dies while the policy is in force, the policy proceeds will be paid to the beneficiary.  
Not all products or features may be available in all states

Underwritten by Assurity Life Insurance Company, Lincoln, Nebraska

Marketed exclusively by Legacy Insurance Services, Omaha, Nebraska

**Plan Overview - Single Premium Whole Life**

Issue Ages Level Benefit	0-85 (age at last birthday)
Issue Ages Increasing Benefit	40-70 (age at last birthday)
Rates	Male/Female, Tobacco/Select Non-tobacco, Standard/Substandard
Amount Limits*	Minimum - \$5,000 face amount (\$25,000 in WA) Maximums - \$200,000 Net Amount at Risk* issue ages 0-64 - \$150,000 Net Amount at Risk* issue ages 65 and over
Death Benefit Options	1) Level 2) Increasing - on each anniversary, the face amount will increase by 1.5 percent.
Policy Fee	\$90 (commissionable)
Payment Mode	Single premium
Loan Rate	Variable interest rate in arrears
Maturity Date	Policy pays full benefit to beneficiaries (minus any loans or accelerated benefits) when insured dies, or pays full benefit to the insured (minus any loans or accelerated benefits) on the anniversary of policy issue following his/her 121st birthday.
Riders (included – no additional premium)	Accelerated Benefits Rider - Terminal Illness Accelerated Benefits Rider - Confined Care Accelerated Benefits Rider - Community Care Accidental Death Benefit - Common Carrier
Rider (additional premium) <i>May not be available in all states</i>	Accidental Death Benefit Rider** • Doubles the death benefit - for death due to an accident • Triples the death benefit - if death is from an accident on a Common Carrier (Base policy face amount + Common Carrier Benefit + ADB = 3 x face)

\*\*This optional rider is issued in consideration of the application and payment of additional premium to pay an additional benefit equal to the full face amount of life insurance if the insured dies due to an accident. Accidental death means a death due to bodily injuries which are the direct and independent cause of death occurring within 90 days after the date of the accident. If the accidental death occurs while the insured is a fare-paying passenger on a public conveyance, this rider will pay in addition to benefits received under the Accidental Death Benefit – Common Carrier endorsement.

**Plan Overview - Limited-Pay Premium Whole Life**

Issue Ages Level Benefit	40-85 (age at last birthday)
Issue Ages Increasing Benefit	40-85 (age at last birthday)
Rates	Male/Female, Tobacco/Select Non-tobacco, Standard/Substandard
Amount Limits*	Minimum - \$5,000 face amount (\$25,000 in WA) Maximums - \$200,000 Net Amount at Risk* issue ages 0-64 - \$150,000 Net Amount at Risk* issue ages 65 and over
Death Benefit Options	1) Level 2) Increasing - on each anniversary, the face amount will increase by 1.5 percent.
Policy Fee	\$90 (commissionable)
Annual Payment Plans	3-Pay, 5-Pay and 10-Pay
Loan Rate	Variable interest rate in arrears
Maturity Date	Policy pays full benefit to beneficiaries (minus any loans or accelerated benefits) when insured dies, or pays full benefit to the insured (minus any loans or accelerated benefits) on the anniversary of policy issue following his/her 121st birthday.
Riders (included – no additional premium)	Accelerated Benefits Rider - Terminal Illness Accelerated Benefits Rider - Confined Care Accelerated Benefits Rider - Community Care Accidental Death Benefit - Common Carrier

\*Net Amount at Risk = Face Amount - Premium

**Plan Overview - Last Survivor Single Premium Whole Life**

Issue Ages Level Benefit	21-85 (age at last birthday)
Issue Ages Increasing Benefit	40-80 (age at last birthday)
Rates	Standard/Substandard Select Non-tobacco - Both insureds are non-tobacco users Tobacco - Both insureds are tobacco users Combined - One insured non-tobacco user, one insured tobacco user
Amount Limits*	Minimum - \$5,000 face amount (\$25,000 in WA) Maximums - \$200,000 Net Amount at Risk* issue ages 0-64 - \$150,000 Net Amount at Risk* issue ages 65 and over
Death Benefit Options	1) Level 2) Increasing - on each anniversary, the face amount will increase by 1.5 percent
Policy Fee	\$90 (commissionable)
Payment Mode	Single premium
Loan Rate	Variable interest rate in arrears
Maturity Date	Policy pays full benefit to beneficiaries (minus any loans) when second insured dies, or pays full benefit to the second insured (minus any loans) on the anniversary of policy issue following his/her 121st birthday.

**Plan Overview - Last Survivor Limited-Pay Premium Whole Life**

Issue Ages Level	40-85 (age at last birthday)
Issue Ages Increasing Benefit	40-85 (age at last birthday)
Rates	Standard/Substandard Select Non-tobacco - Both insureds are non-tobacco users Tobacco - Both insureds are tobacco users Combined - One insured non-tobacco user, one insured tobacco user
Amount Limits*	Minimum - \$5,000 face amount (\$25,000 in WA) Maximums - \$200,000 Net Amount at Risk* issue ages 0-64 - \$150,000 Net Amount at Risk* issue ages 65 and over
Death Benefit Options	1) Level 2) Increasing - on each anniversary, the face amount will increase by 1.5 percent
Policy Fee	\$90 (commissionable)
Premium Payment Plans	3-Pay, 5-Pay and 10-Pay
Loan Rate	Variable interest rate in arrears
Maturity Date	Policy pays full benefit to beneficiaries (minus any loans) when second insured dies, or pays full benefit to the second insured (minus any loans) on the anniversary of policy issue following his/her 121st birthday.

**Calculating the Joint Equal Age**

1. For Last Survivor – Single Pay, each individual must be at least 21 years old.
2. For Last Survivor – Limited Pay, each individual must be at least 40 years old.
3. Subtract 4 from the age of each female insured. This number cannot be under 21 or 40 for Limited Pay.
4. Determine the difference in the row ages as adjusted in No. 3 above.
5. The joint equal age is the younger of the two ages as adjusted in No. 3, plus the amount from the table below.

Actual Age Difference	Addition to Younger Age
0-1	0
2-3	1
4-5	2
6-8	3
9-11	4

Actual Age Difference	Addition to Younger Age
12-15	5
16-21	6
22-29	7
30 or more	8

## Uses for Legacy Estate Maximizer Product Portfolio

### CD Alternative

Instead of leaving a beneficiary a certificate of deposit which will have a tax consequence, you can immediately increase this asset with a Legacy Estate Maximizer single premium or limited-pay policy. With this policy, the death benefit is paid to the insured's beneficiary, free of federal income tax.

### Pre-Arrangement or Pre-Planning of Funeral Expenses

By planning now and using the Legacy Estate Maximizer, a 60-year-old female (non-tobacco) can guarantee the availability of \$10,000 upon her death for funeral expenses with a single payment of \$5,012; or three payments of \$1,856.40; or five payments of \$1,169.60; or 10 payments of \$645.40.

### Annuity Alternative

Convert an existing, small annuity that is being left to a beneficiary into a larger face amount, which passes to the beneficiary free of federal income tax. Annuity beneficiaries will have a taxable event, whereas life insurance proceeds avoid probate and federal income tax. Note: An exchange of an annuity for a life insurance policy is a taxable event for the owner.

### Equity Transfer of Discretionary Dollars

Many seniors possess assets and discretionary dollars which may be subject to both probate costs and taxes when the transfer to beneficiaries occurs. Legacy Estate Maximizer passes these dollars on to an heir free from federal income taxes and probate.

### Charitable Giving

Use "discounted dollars" to leave a favorite charity a death benefit free of federal income tax. The premium can be a tax-deductible gift if you make the charity the owner of the policy, as well as the beneficiary. A \$5,000 gift could mean as much as \$10,000 to the charity (based on age, sex, health, etc., of the insured contributor).

### 1035 Exchange

It may be in your client's best interest to review his/her current life insurance policies. It may be financially advantageous to exchange them (tax-free) for a Legacy Estate Maximizer policy. This policy may be appropriate for your client's financial investment strategy

## Available Riders

### Riders Included – No Additional Premium

#### Not available on Last Survivor Plans.

The Legacy Estate Maximizer policy includes the following additional riders. No additional premiums need to be calculated.

#### **Accelerated Benefits Rider – Terminal Illness\***

If the insured becomes terminally ill (as defined in the policy), resulting in a life expectancy of 12 months or less, a portion of the policy benefits may be accelerated. The accelerated benefit amount cannot be less than \$10,000 or more than \$250,000.

#### **Accelerated Benefits Rider – Confined Care\*\***

If the insured becomes confined to a nursing home facility (as defined in the policy), a portion of the policy benefits, upon request, may be accelerated, up to 2 percent of the face amount of the policy, payable monthly up to \$5,000. The monthly benefit will continue to be paid for 60 months or until the policy has been reduced to \$15,000, whichever occurs first. Benefits are available only after the policy is in force for 90 days.

\* May not be available in all states.

\*\* Monthly benefit in state of Hawaii for confined care and community care accelerated benefits is limited to 11 months, with option to receive balance of benefit in a lump sum.

## Riders Included – No Additional Premium continued

### Accelerated Benefits Rider – Community Care\*\*

If the insured has been receiving community care for at least 90 days, a portion of the policy benefits, upon request, may be accelerated up to 1 percent of the face amount of the policy payable monthly up to \$3,000. The monthly benefit will continue to be paid for a maximum of 60 months or until the policy has been reduced to \$15,000, whichever comes first. Upon written notification that the insured no longer requires community care, monthly accelerated benefit payments will cease. Community care is defined as care or services provided by a home health care practitioner in the insured's home, or in an assisted living facility (as defined in the policy). Benefits are available only after the policy is in force for 90 days.

### Accidental Death Benefit – Common Carrier\*

If the insured is traveling as a fare-paying passenger on a public conveyance, and an accidental death occurs due to bodily injuries which are the direct and independent cause of death within 90 days of the accident, an additional benefit equal to the full face amount of the policy will be paid to the designated beneficiary(ies). Accidental death means a death due to bodily injuries which are the direct and independent cause of death occurring within 90 days after the date of the accident.

(If the ADB Rider is purchased and the insured's death is due to an accident on a common carrier, the face benefit of the policy is tripled.)

## Optional Rider for Additional Premium

### Accidental Death Benefit Rider\*

- Doubles the death benefit - for death due to an accident
- Triples the death benefit - if death is from an accident on a common carrier  
(Base policy face amount + Common Carrier Benefit + ADB = 3 x face)

This optional rider is issued in consideration of the application and payment of additional premium to pay an additional benefit, equal to the full face amount of life insurance, if the insured dies due to an accident. Accidental death means a death due to bodily injuries which are the direct and independent cause of death occurring within 90 days after the date of the accident. If the accidental death occurs while the insured is a fare-paying passenger on a public conveyance, this rider will pay in addition to benefits received under the Accidental Death Benefit - Common Carrier endorsement.

## Underwriting Guidelines

The Legacy Estate Maximizer policies have been designed so that underwriting can evaluate each application based on the net amount at risk. Our objective is to use the minimum requirements necessary to arrive at an equitable underwriting decision.

This policy is an underwritten product and requires the writing agent to complete each application thoroughly. Assurity will JET ISSUE the policy (issued within 72 hours of underwriting approval) for those risks meeting the following criteria:

1. All application questions are truthfully answered "no"
2. Height and weight within build table limits
3. No significant MIB information received
4. Single premium/initial annual premium submitted with application
5. No adverse information (medical or non-medical) on the Personal History Interview & Health Questionnaire
6. Application amount is within published non-medical guidelines for net amount at risk (including any other Assurity Life single premium business issued on a non-medical basis)

Additional underwriting requirements may be requested at the discretion of the underwriter to properly evaluate the proposed insured's medical history.

\* May not be available in all states.

\*\* Monthly benefit in state of Hawaii for confined care and community care accelerated benefits is limited to 11 months, with option to receive balance of benefit in a lump sum.

## Underwriting Guidelines continued

### Application

The application (specific state version) must be completed in its entirety, including appropriate signatures. Make sure that you leave the Conditional Receipt, Privacy Notice and Medical Information Bureau Notice with the applicant. If no money is being submitted with the application, please write "NO CASH WITH APPLICATION" on the receipt section before leaving it with your client. Mail and/or fax the applications and any required forms to Legacy Insurance Services.

### Non-resident Application

The application must be taken (completed) in the state in which the writing agent holds a resident or nonresident license. The form used will be that for the state where the application is written.

### Cash with Application

The single premium/initial annual premium should accompany the application unless the policy is being funded through a 1035 tax-free exchange, or funds are being obtained from an expiring financial instrument (e.g., certificate of deposit). All checks must be made payable to Assurity Life Insurance Company. Agency and/or agent checks are not accepted.

Applications not involving an exchange or transfer of funds, and received without the single premium/initial annual premium enclosed, are acceptable for underwriting. Upon approval, a policy will be issued and mailed to the agent for delivery. The agent must collect the single premium/initial annual premium, fulfill all other delivery requirements, obtain a properly signed policy delivery receipt (PDR), and mail and/or fax all to Legacy Insurance Services.

### Underwriting

Assurity's primary objective is to underwrite and issue Legacy Estate Maximizer business quickly.

### All applications will be subject to Medical Information Bureau (MIB) screening and Personal History Interviews.

Whenever possible, we will underwrite the case and issue the policy based on the answers on the application, Personal History Interview and Health History Questionnaire. If we are unable to properly assess the risk after review of these items, underwriting reserves the right to order additional requirements.

Approval and processing of your application can be completed quickly when legible, required forms are received.

### Telephone Interview

A Personal History Interview will be conducted only with the proposed insured. In select cases, medical records may be ordered for further consideration.

The Personal History Interviewer will verify the application data (such as name, address, birth date, age, beneficiary designation, height/weight, smoking status). The interviewer confirms that the proposed insured signed the application in the presence of the agent, and that the proposed insured's answers to the applicable questions were correctly recorded. If adverse information is developed during the interview, or if there is a significant MIB report, additional information will be obtained (e.g., name and address of attending physician).

In most cases, we are able to accept or decline a risk based on the application and Personal History Interview. Medical history or other information received may be serious enough to require additional information from the proposed insured's Attending Physician. Attending Physician Statements are ordered by underwriting and automatically followed up via telephone calls on a weekly basis until received.

**It is important for you to prepare each proposed insured for a Personal History Interview. We suggest that the proposed insured call and complete the Personal History Interview at the time the application is taken.**

## Underwriting Guidelines continued

### Prescription Drugs (Medical Treatment)

It is our objective to make accept/reject decisions on at least 85 percent of the applications submitted using only the Personal History Interview and, if necessary, Health History Questionnaire. Inquiring into the proposed insured's medications is important in helping us achieve the 85 percent objective. Prescribed medication being taken for any impairment listed in the application is considered to be current treatment. Treatment does not include over-the-counter medications taken voluntarily such as aspirin.

Obtaining complete information will help you qualify the proposed insured, avoid surprises during the underwriting process and provide us with enough information to render an immediate decision.

It is nearly impossible to list all the medications which might affect a proposed insured's eligibility for insurance. However, use of any of the following prescription drugs will disqualify a proposed insured for coverage with the Legacy Estate Maximizer policy:

### Disqualifying Drugs

Adriamycin	Cytovene	Imuran	Purinethol
Alkeran	Cytosan	Invirase	Retrovir
Altretamine	Decarbazine	Leukeran	ReVia
Antabuse	Didanosine, DDI	Levamisole Hydrochloride	Rilutek
Azathioprine	Disulfiram	Lomustine	Riluzole
AZT	Doxorubicin Hydrochloride	Matulane	Rubex
BICNU	DTIC-Dome	Melphalan	Sandimmune
Blenoxane	Emcyt	Mercaptopurine	Stavudine
Bleomycin	Epivir	Myleran	Thioguanine
Busulfan	Ergamisol	Neoral	Velban
Carmustine	Estramustine	Novir	VePesid
CeeNU	Etoposide	Oncovin	Videx
Chlorambucil	Eulexin	Orlaam	Vinblastine Sulfate
Cisplatin	Fluorouracil	Orthoclone	Vincasar
Crixivan	Flutamide	Pentam	Vincristine Sulfate
Cyclophosphamide	Hexalen	Pentamidine	Zalcitabine
Cyclosporine	Hivid	Platinol	Zerit
Cystosar-U	Hydrea	Procarbazine Hydrochloride	Zidovudine
Cytarabine	Hydroxyurea	Prograf	

The following medications are usually prescribed for hypertension and/or cardiac problems. When possible, provide the reason the proposed insured is taking the medication.

Although we have listed some of the more common medications above, new drugs are constantly being introduced, so this list is by no means all-inclusive. The underwriter has the final responsibility in evaluating the medications being used in arriving at an underwriting decision.

Adalat	Cardene	Inderal	Norvasc	Tridil
Aldomet	Cardizem	Isoptin	Pindolol	Vasacor
Atenolol	Chlorothiazide	Lasix	Prinzide	Vaseretic
Bumex	Corgard	Lopressor	Procardia	Vasotec
Calan	Cyclothiazide	Midamor	Propranolol	Verelan
Capoten	Furosemide	Minipress	Ser-ap-es	Zestoretic
Capozide	Hydrochlorothiazide	Nadolol	Tenoretic	
Captopril	Hytrin	Nifedipine	Tenormin	

## Policy Writing Details

### Commissions

Commissions are paid by Legacy Insurance Services, but only after the signed and dated Policy Delivery Receipt has been received by Legacy Insurance Services and all other policy requirements have been fulfilled. The minimum commission payable on any pay period is \$25.00.

### Policy Dating

Policies will be dated with the date on which the application is approved.

### Policy Effective Date

Coverage will not become effective under any policy until:

- 1) the policy is issued by the company, and
- 2) the single premium/initial annual premium has been paid, and
- 3) the policy has been delivered to the applicant and a Policy Delivery Receipt obtained during the lifetime of the proposed insured.

### Beneficiary Designations

Primary and contingent beneficiaries should be provided on the application, including the beneficiary's relationship and address. In all cases, a beneficiary must have an insurable interest in the continuing life and good health of the insured.

A good example of proper insurable interest is the spouse and/or children of the insured. Trusts named as beneficiaries should be designated "XYZ Trust under Trust Agreement dated mm/dd/yr." Also provide the name of the trustee, address and trust number.

### Ownership

Ownership of the policy should be indicated in the appropriate area of the application. Usually, this will be the proposed insured. Ownership (by children and others) of a policy on the life of the proposed insured will be underwritten stringently.

### Policy Delivery

Coverage goes into effect when the policy is delivered to the policyowner. Make sure the Policy Delivery Receipt, included with each policy, is properly completed, signed and mailed and/or faxed to Legacy Insurance Services.

### Replacements

While Assurity Life does not condone an organized or systematic form of replacement, we understand that justifiable replacements will be encountered. You must complete appropriate forms (state version where required) and submit them with the application. The company's policy is to notify existing insurers that replacement is contemplated.

### 1035 Exchanges

Assurity Life will handle your requests for 1035 exchanges from life policies to the Legacy Estate Maximizer Portfolio. Remember that annuities do not qualify for automatic rollover under IRS Section 1035.

### Transfer of Funds

Most 1035 exchanges can be handled using Assurity Life's Absolute Assignment to Effect IRC 1035 Exchange form. This document, when properly completed and signed, fulfills most companies' requirements for a 1035 tax-free exchange. The form will usually suffice in the transfer of funds from CDs, mutual funds and money market accounts.

### Signatures

Only the proposed insured can sign on the "Proposed Insured's Signature" line. If the owner of the policy is other than the proposed insured, complete the ownership section and obtain the owner's signature on the "Owner's Signature" line.

To ensure that you receive proper credit for your applications, please print your name below your signature and provide your writing agent number.

## Policy Writing Details continued

### Status

Every effort is made to keep the producer informed about the status of each application. Immediately following the initial review of each application, Legacy Insurance Services is notified whether or not the application will be approved or if additional requirements must be obtained. Legacy Insurance Services is your liaison with the underwriting department. All status calls must go through them. If they do not have a current status, they will contact underwriting and have a response within 24 hours of their call, guaranteed.

### Foreign Nationals

Foreign nationals must: (1) possess legal immigrant status, and (2) have lived in the U.S. two years, and (3) intend to permanently reside in the U.S., and (4) be able to communicate with the personal history interviewer, and (5) have established a doctor-patient relationship in the U.S. Proof of citizenship or permanent resident status is required.

Medical records will be obtained in most cases involving foreign nationals.

### Contestability Provisions

Agents should always bear in mind that typical life insurance policies contain contestability provisions during which time the company can deny claims when there are material misrepresentations in the application for insurance.

### Contract

This guide is for the benefit of Assurity Life representatives and does not constitute a contractual obligation. The provisions in the applicable policies are controlling.

## Underwriting Impairment Guide

The following Underwriting Impairment Guide has been developed to assist you in determining whether or not an application should be submitted. This Guide is not all-inclusive. Answers to questions about conditions not listed here can be obtained by calling Legacy Insurance Services.

### High Blood Pressure (Hypertension)

The company will consider those proposed insureds with high blood pressure where medical information reflects that the condition is well-controlled by medication, and there are no other risk factors.

### Diabetes (Diabetes Mellitus)

The company will consider proposed insureds with diabetes mellitus if the disease was diagnosed after age 45 and the condition is controlled by diet or oral medications.

Certain impairments require a waiting period before underwriting consideration can be given. The following are general guidelines only. Underwriting reserves the right to assess each risk based on its merits.

### Submit After Five Years (Attending Physician's Statement required)

- Alcohol abuse
- Cancer other than basal cell carcinoma (e.g. skin cancer)
- Heart disease
- Heart attack
- Angina pectoris
- Heart/vessel surgery (bypass or angioplasty)

### Call Legacy Insurance Service (Attending Physician's Statement usually required)

- Blood disorders (other than simple anemia)
- Circulatory disorders
- Disabled individuals
- Emphysema or lung disorder
- Hepatitis
- Immune system disorders
- Kidney disease
- Mental retardation
- Multiple sclerosis (in remission)
- Nervous system disorder
- Organ transplant
- Psychiatric disorders
- Stroke (cerebral vascular attack/ CVA, TIA)

## Underwriting Impairment Guide continued

### Do Not Submit

The following impairments are considered uninsurable under Assurity's current underwriting guidelines and should not be submitted for underwriting consideration:

- Acquired Immune Deficiency Syndrome (AIDS)
- AIDS Related Complex (ARC)
- Alzheimer's disease
- Congestive heart failure
- Cancer with metastasis to lymph nodes or organs
- Cirrhosis of the liver

## Frequently Asked Questions

### What is Assurity's underwriting philosophy?

Our underwriting philosophy is to evaluate each application based on the net amount at risk, using the minimum requirements necessary to arrive at an equitable underwriting decision. Our goal is to work hand in hand with Legacy Insurance Services to reduce your involvement in obtaining or following up on requirements. This will allow you to spend more time in the field, promoting the company and products, and earning more commissions.

### What can I do to speed up the underwriting process?

It is always helpful to note on the application, or on a separate sheet of paper, the best time to complete the telephone inquiry, as well as the name, address and phone number of the proposed insured's regular doctor. Should an Attending Physician's Statement be necessary, there would be no delay in ordering.

### What do I do after the application is submitted?

If any requirements are necessary, Assurity will make the arrangements, allowing you more time for selling.

### How long does it take to get a policy issued?

Our objective is to issue "clean" cases in no more than 72 hours after underwriting receives the application, phone inspection and correct premium.

### What do you mean by a "clean" case?

A clean case is defined as an application on which all questions are truthfully answered "no," the MIB is clear, the applicant meets the build table requirements, and no adverse information (medical or non-medical) is found on the Personal History Interview or Health History Questionnaire.

### What are the maximum and minimum amounts accepted by the company?

Maximum: \$200,000 net amount at risk, issue ages 0-64

\$150,000 net amount at risk, issue ages 65 and up

Minimum: \$5,000 face amount

(Net amount at risk = Face Amount – Premium)

### I have a client who has had some health problems in the past but is okay now. Can we insure him/her under the Legacy Estate Maximizer?

Call Legacy Insurance Services and explain the situation. They have direct contact with underwriting and will get back to you with the underwriter's best estimate of insurability – subject, of course, to verification of medical history.

## Frequently Asked Questions continued

**My client has money tied up in annuities and certificates of deposit and is unable to obtain immediate access to the funds. Can I submit the application without funds?**

Assurity will accept applications without the single premium/initial annual premium accompanying the application. Our handling is dictated by the type of submission, as follows:

1) 1035 Exchanges, Transfers of Funds

You will be advised as soon as the application has been approved. Assurity Life processes the 1035 Exchange request and follows up with the transferring company until the funds are received. Upon receipt of the funds, the policy is issued and forwarded to the writing agent for delivery and fulfillment of all policy delivery requirements.

If writing a limited-pay policy, the 1035 Exchange funds must not exceed the annual premium.

All requirements must be completed within 60 days of the approval date.

Note: An exchange of an annuity for a life insurance policy is a taxable event for the owner.

2) Funds Collected on Delivery of Policy (C.O.D.)

You will be advised as soon as the application has been approved. Assurity Life issues the policy and forwards it to the writing agent for collection of the single premium/initial annual premium and fulfillment of all policy delivery requirements. All requirements must be completed within 30 days of the approval date.

If delivery requirements are not completed within the above time periods, a Statement of Good Health and Insurability will be required. This statement is valid for an additional 30 days for 1035 Exchanges and Transfers of Funds, and an additional 60 days for funds Collected on Delivery of the policy.

**What must I do in order to submit an exchange of an existing life policy to the Legacy Estate Maximizer?**

Mark the "Amount Paid" box on the application as "1035 Exchange." The application must be submitted with all required replacement forms for the state in which the application is written. In addition, you must obtain the completed and signed form, Transfer/1035 Exchange Form. A copy of the form serves as the client's receipt for the policy(ies). We recommend the application, forms and policy be sent by certified mail to Legacy Insurance Services. Legacy will handle further communications with the existing insurer.

**What if the policy being considered is a Modified Endowment Contract (MEC)?**

A Modified Endowment Contract (MEC) is one that meets the requirements of IRC Section 7702, was entered into on or after June 21, 1988, and fails to meet the seven-pay test. A contract that is received in exchange for a contract meeting this definition is also a modified endowment contract. Distributions from modified endowment contracts are subject to taxation rules that differ from the rules governing the taxation of distributions from life insurance policies that are not modified endowment contracts.\*

Most Legacy Estate Maximizer policies are modified endowment contracts.

It is to your advantage to work directly with your client's tax advisor when recommending the purchase of a modified endowment contract.

**What about policy delivery?**

Policies will be mailed to the writing agent for delivery to the applicant. Each delivery kit contains a Policy Delivery Receipt (PDR), along with any other delivery requirements (collection of premium, amendments, etc.). The PDR must be signed and dated by the agent and insured/owner, then sent by mail and/or fax to Legacy Insurance Services, along with any other delivery requirements. We suggest you make copies for your records.

\*Tax Facts I, 2003, p. 11

Underwritten by:



Assurity Life Insurance Company's origins are rooted in a century-long legacy of providing long-term security to policyholders that has earned generations of customers' confidence and trust.

Assurity Life serves customers across the nation, offering disability income, critical illness, hospital indemnity, long-term care and life insurance, annuities and specialty insurance plans through our representatives, worksite distribution and direct mail. Pension and investment management services are available through Assurity Advisors Inc., a subsidiary of Assurity Life.

With assets exceeding \$2 billion, Assurity Life has built a reputation for "best in class" service and sound, conservative business practices with a disciplined approach to financial management. Headquartered in Lincoln, Neb., Assurity Life has earned a high rating from A.M. Best Company, the insurance industry's leading independent analyst. For more information about this rating, please visit [www.ambest.com](http://www.ambest.com) or [www.assurity.com](http://www.assurity.com).

We're proud of our history of integrity, financial accountability...and helping people through difficult times.

This product is exclusively marketed by:

**Legacy Insurance Services, Inc.  
of America**

Legacy Row Office Building  
17310 Wright Street, Suite 200  
Omaha, NE 68130

Telephone: (402) 493-3007

Fax: (402) 493-3507

Toll-free: (800) 493-3007

Assurity Life Insurance Company • PO Box 82533 • Lincoln, NE 68501-2533