



West Coast Life LifeTime Advantage PlusSM UL

A Flexible Premium Universal Life Insurance Policy

Producer / Broker Guide

Producer / Broker Information Only. Not for use with Consumers.

Not a Deposit	No Bank Guarantee	Not FDIC Insured
Not Insured By Any Federal Government Agency		



**West Coast Life
Insurance Company**

A PROTECTIVE COMPANY

WCLAG.1016 (05.09)

Preparing Clients for a Secure Financial Future.

Each of your clients has a different vision of the future. Some want to retire and live a life of leisure — traveling to new places and learning new things. Others want to be able to create a better life for loved ones. And whether that vision includes providing for their family, enjoying a comfortable retirement, protecting a business, or all of the above, it's your job to help them achieve it. By helping your clients chart a course toward their financial goals, you can help them successfully reach their destination.

The **LifeTime Advantage PlusSM UL** offers your clients a flexible-premium universal life product that combines affordable death benefit protection with flexible coverage options and the potential for cash-value accumulation. The **LifeTime Advantage PlusSM UL** can work in a variety of sales applications to help solve both personal and business financial planning needs.

Personal Planning

- Supporting dependent family members
- Providing income for basic living expenses
- Maintaining mortgage payments
- Funding college tuition
- Providing retirement income for your spouse
- Paying estate or inheritance taxes

Business Planning

- Planning for business continuation
- Funding a buy-sell agreement
- Covering a key employee

Consider the LifeTime Advantage Plus UL if your client:

- needs low-cost death benefit protection
- needs the potential for cash-value accumulation
- is planning for family needs, like survivor income or retirement
- is a business owner looking for key person or business continuation planning

This brochure contains statements regarding the tax treatment of certain financial assets and transactions. These statements represent only our current understanding of the law in general and are not to be relied upon by Purchasers. Income, estate, gift, and generation-skipping tax rules are subject to change at any time. Neither West Coast Life nor its representatives offer legal or tax advice. Purchasers should consult with their legal or tax advisor regarding their individual situations before making any tax-related decisions.

LifeTime Advantage Plus UL Overview

► Flexible Coverage Options

Death Benefit Coverage

The death benefit amount may be adjusted, within the plan limits, without having to buy a new, separate policy. This can reduce costs and simplify the process of changing your client's coverage.

Premium payments can be increased, decreased, or even skipped, depending on such factors as the amount of premiums paid into the policy, the policy value, any loans or withdrawals, and the current interest rate.

Death Benefit Options

The **LifeTime Advantage Plus UL** offers two distinct Death Benefit Options:

Level Death Benefit Option (Option A)

The Level Death Benefit Option pays the greater of the face amount or the minimum death benefit under IRS guidelines. Please see the policy for details.

Increasing Death Benefit Option (Option B)

The Increasing Death Benefit Option pays the greater of the face amount plus the policy value or the minimum death benefit under IRS guidelines. Please see the policy for details.

The Death Benefit is reduced by outstanding loans and loan interest.

Lapse Protection Period

The Lapse Protection Period for the **LifeTime Advantage Plus UL** ranges between 10 and 15 years, and may vary by issue age.

Payment of the premium required to maintain the Lapse Protection does not guarantee that the policy will remain in force after the end of the Lapse Protection Period. Additional premium payments may be required after the Lapse Protection Period ends. Loans and withdrawals may cause the loss of Lapse Protection.

In order for the lapse protection to be in force, accumulated premiums paid (*less loans and withdrawals*) must be equivalent to or greater than the accumulated minimum monthly guaranteed premium. If only the minimum monthly guaranteed premium is paid, there may be little or no surrender value upon maturity.

IRS Definition of Life Insurance

The **LifeTime Advantage Plus UL** allows your client to select which test to use to determine whether the product qualifies as life insurance under IRS guidelines. These choices depend on your client's specific situations and desired death benefit and premium payment goals. The choices are:

- Guideline Premium Test (*GPT*)
- Cash Value Accumulation Test (*CVAT*)

In general, CVAT can be attractive to those who are interested in minimizing the death benefit protection amount and focus on early years cash value accumulation. GPT may benefit those who want to make continuous premium payments for 10 or more years. The choices are available only at issue and cannot be changed once the policy is in force. If no choice is made at issue, the GPT will automatically apply.

Loan Rescue Provision (*Carryover Loans*)

The **LifeTime Advantage Plus UL** offers a loan rescue provision enabling your client to 1035 exchange an existing life insurance policy containing a loan into a new policy.

- Minimum loan amount to be transferred is \$500
 - Maximum loan amount to be transferred is 80% of the total 1035 transfer amount
 - 1.0% interest spread in years 1-10 and 0% spread thereafter
 - Internal exchanges are also available with evidence of insurability
-

Optional Benefits and Riders

The **LifeTime Advantage Plus UL** offers a variety of optional benefits and riders. Since every family or business situation is unique, your client may want to consider these additional benefits and riders to help fill any gaps. Please see the *Optional Benefits and Riders Reference Guide* for more detailed information.

► Product Specifications

Issue Ages and Risk Classes	18 - 75 Super Preferred Non-Tobacco 18 - 85 Preferred Non-Tobacco 0 - 85 Standard Non-Tobacco	18 - 75 Preferred Tobacco 15 - 85 Standard Tobacco
Minimum Face Amount	\$25,000 (<i>Standard Non-Tobacco, Standard Tobacco</i>) \$100,000 (<i>Super Preferred Non-Tobacco, Preferred Non-Tobacco, Preferred Tobacco</i>)	
Interest Rates	The current interest rate, determined periodically by the Company, will never be less than the guaranteed interest rate of 3.0%. The current interest rate credited to the policy value may change at any time.	
Premium Payments	Premium payment amounts and schedules are left to the policy owner's discretion, subject to policy required minimums and IRS Guideline premium maximums, if applicable. The policy may lapse unless the premiums paid are equal to or greater than the accumulated minimum monthly guaranteed premiums (<i>MMGP</i>).	
Maturity Age	There are zero costs at the insured's attained age 121 for cost of insurance rates, surrender charges, unit loads, monthly administrative fee, and base policy ratings. There will be continuing costs for any loan interest or withdrawal fee.	
Premium Payment Modes	Annual minimum premium is \$120 Semi-annual minimum premium is \$60 Quarterly minimum premium is \$50 Monthly (PAC) minimum premium is \$10 These are administrative minimums and are not related to no-lapse minimums.	

► Policy Changes

Change of Option

When changing from Option A (*Level Death Benefit*) to Option B (*Increasing Death Benefit*), if the face amount is greater than the net amount at risk, the face amount will be reduced to equal the net amount at risk. Upon changing from Option B to Option A, the face amount will be increased by the amount of policy value.

Decreases in Coverage

After the policy has been in force for at least one year, decreases may be requested. The face amount remaining in effect after any decrease cannot be less than the minimum face amount. A partial surrender charge will be deducted from the policy value with any face amount decrease. It is calculated as follows:

1. Calculate the total full-surrender charge (*net of any prior partial surrender charges*).
2. Divide the face amount reduction amount by the total policy face amount prior to decrease.
3. The partial surrender charge is equal to the result of step two multiplied by the result of step one.

The full surrender charge will then be recalculated based on the new face amount.

Increases in Coverage

After the policy has been in force for at least one year, increases may be requested. The minimum face amount increase is \$10,000 and is subject to evidence of insurability. A new full-surrender charge for the increase coverage amount will begin, based on the attained age at the time of the new coverage segment, and will last for an additional 19 years.

► Access to Policy Value

Loan Details

Loan interest is charged at 5.0% (*in arrears*) the first 10 policy years and 3.0% thereafter. There will be a 2.0% spread (*1.0% spread for carryover loans*) in years 1 through 10 and 0.0% spread thereafter. Interest on all policy loans will be compounded. Loans and/or withdrawals may negatively impact policy performance and the death benefit.

Withdrawals

Withdrawals may reduce the death benefit and affect policy accumulation. If the face amount is reduced, a partial surrender charge (*described under Decreases in Coverage*) will apply. A flat fee of \$25 will be charged for each withdrawal. Withdrawals that reduce the face amount below the minimum face amount will not be permitted.

Full Surrender

After the policy has been in force for at least one year, a full surrender may be made. A surrender charge will be assessed during the 19-year period following the date of issue. Taxation may occur upon lapse or surrender.

Terminal Illness / Accelerated Death Benefit provision¹

A portion of the death benefit can be accessed if the insured has a qualifying terminal illness and meets certain terms and conditions within this benefit. While there is no cost or premium charge for this benefit, the death benefit will be reduced by the amount of benefit paid plus accumulated interest.

The maximum accelerated death benefit is the lesser of 75% of the current face amount or \$250,000, whichever is less. A lien equal to the accelerated death benefit will be established against the policy and will accumulate interest.

¹ This endorsement is not available in all states. State variations may apply. Please review the endorsement for complete terms, conditions, and limitations.

► Cost and Expense Structure

Premium Load	5.0% of the sum of all premium payments received during the year.
Expense Charge	A charge per \$1,000 of the initial face amount is deducted each month during the first 20 policy years. This charge varies based on the insured's age, gender, class, and band.
Administrative Charge	\$5 (<i>Monthly</i>)
Surrender Charges	Applicable for 19 years; charge will vary by age, gender, class, and policy year. State variations may apply.
Withdrawal/Partial Surrender Charges	\$25 per withdrawal — surrender charges may also apply on a pro rata basis.
Cost of Insurance Charge	Cost of Insurance (COI) charges are deducted each month from the policy value. COI is based on the insured's issue age, sex, risk class, band, number of years the policy has been in force, and any applicable ratings.

► Policy Owner Information

Annual Report	After each policy anniversary, a personalized annual report will be sent to the policy owner. The report will show premium payments, interest credits, cost of insurance charges, and expense charges since the last policy anniversary. It will also show loans, withdrawals, surrender value, and policy value as of the anniversary date.
Policy Contract	The policy contract will provide basic information about the policy and endorsements that govern all benefits provided. The policy contract will describe other basic policy information in relation to premium payments, the guaranteed interest rate, and other provisions and charges contained in the policy.

Your next steps



- Introduce this product as an estate and/or financial planning tool to your clients who may be interested in a flexible-premium, universal life product which focuses on low-cost death benefit protection and has the potential for cash-value accumulation.
- Use the consumer-approved marketing materials in the **West Coast Life LifeTime Advantage Plus UL** sales kit with your clients.

Policy form WC-U15 and state variations thereof, is a flexible premium universal life insurance policy issued by West Coast Life Insurance Company, 2801 Highway 280 South, Birmingham, AL 35223. Product features and availability may vary by state. Consult policy for benefits, riders, limitations, and exclusions. Subject to underwriting. Up to two-year contestable and suicide period. Benefits adjusted for misstatements of age or sex. In Montana, unisex rates apply.

The tax treatment of life insurance is subject to change. Neither West Coast Life nor its representatives offer legal or tax advice. Please consult with your legal or tax advisor regarding your individual situation before making any tax-related decisions.

All payments and all guarantees are subject to the claims paying ability of West Coast Life Insurance Company.



**West Coast Life
Insurance Company**

A PROTECTIVE COMPANY

WCLAG.1016 (05.09)

Producer / Broker Information Only. Not for use with Consumers.



INSURANCE MARKETPLACE
STANDARDS ASSOCIATION