

# Assurity®

# Single Premium Whole Life Insurance

## Seller's Guide





The market is rife with uncertainty—causing many Americans to stick to safe, low-yield investments like CDs. While they can't change the market, they can change where they put their money.

Single Premium Whole Life presents a massive opportunity in the market—it can help your client save money, avoid taxes, pass on wealth and even fund their recovery if illness strikes. Use our easy, no-nonsense approach to get started.

## **We fit best with clients who...**

- Are 60- to 85-years-old and in good health
- Talk about leaving a legacy or giving a financial gift to their children or grandchildren
- Have cash on hand they don't immediately need – typically \$20,000 in savings or CDs
- Want strong guarantees, accessibility and growth
- Are fiscally conservative, dislike fees and charges
- May be downsizing their homes

# In this guide:



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# Opportunities in today's market



Aging Americans are downsizing their homes in preparation for retirement, leaving them with a significant amount of cash on hand. They want to invest that money to leave a legacy for their loved ones, but CDs aren't performing as well as they used to.

At least

# 13.1 million



homes owned by older Americans are projected to be sold before 2036.<sup>1</sup>

Traditional savings vehicles like CDs are underperforming, leaving people in need of an alternative.

**7%** of households have money in a CD.<sup>2</sup>

**0.76%** the average 1-year CD yield.<sup>3</sup>



## The need is real.

When your client has extra money on hand, they want to put it somewhere safe—parked in a savings account, languishing in a CD or stuffed under a mattress. Single premium whole life insurance gives them another option to grow their money, save on taxes<sup>4</sup> and gain access to living benefits.

# Questions to ask your client



Your client might not know that life insurance can provide more than a death benefit –it can grow cash value, provide living benefits and more. Here are some questions you can ask to help start a conversation about single premium whole life:

*What sort of legacy do you want to leave to your children or grandchildren?*

*What plans and goals do you have for your own retirement?  
Do you plan to stay in (and keep paying taxes on) your current home?*

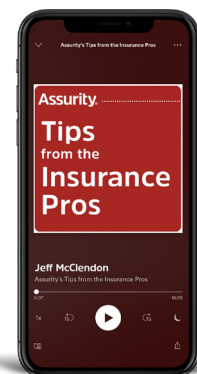
*Do you want to continue paying life insurance premiums into and past retirement?*

*How are your investments handling fluctuations in the market?*

*How do you plan to use your (savings, CD, annuity, etc.)?*

## Assurity's Podcast: Tips from the Insurance Pros

Listen on the Assurity.com Agent Center, Spotify or Apple Podcasts. Hear producers and other experts share their advice for approaching clients.



# Features, facts, fact finder and prospects



Arming yourself with information during the sales process is key to your success. Today, most consumers conduct online research before meeting with you. Proving your product knowledge and personalizing each case to meet their needs shows your true value and helps to further gain their trust.

## Key Features: Assurity Single Premium Whole Life Insurance

- Issue limits: **15 days through 85 years (age last birthday)**
- **No medical exams** for issue amounts up to \$700,000 for ages 0 through 60; for issue amounts up to \$450,000 for ages 61 through 85
- **A single, lump-sum payment** simplifies the sale
- **Dividends<sup>5</sup> are available**
- **Immediate increase in estate value**, along with continued, tax-deferred accumulation of cash value that can be accessed at any time for any purpose<sup>6</sup>

## Living Benefits with Accelerated Death Benefit Rider<sup>7</sup>

- **Chronic Illness** – If your client is unable to perform two Activities of Daily Living (ADLs) without substantial assistance from another person, due to a loss of functional capacity for a period of at least the last 90 consecutive days; or requires substantial supervision by another person to protect themselves from threats to health and safety due to their severe cognitive impairment for a period of at least the last 90 consecutive days, they can choose to receive a portion of their death benefit.
- **Terminal Illness** – If your client is diagnosed with a terminal illness<sup>8</sup> by a physician, they can elect to accelerate a portion of their death benefit to pay for end-of-life care and expenses.

**Key Facts:**  
**The Growing Need for Single Premium Whole Life**

**94%**

**of grandparents provide some financial support  
for their grandchildren.**

AARP, Money and the Modern Grandparent, 2019

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**54%**

**of Americans' top financial concern is not having  
enough money for retirement.**

Gallup, Americans Feel Generally Positive About Their Own Finances, 2019

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**\$0**

**is the amount of tax paid by your loved ones  
on SPWL benefits.**

**Nearly 50%**

**of life policies are some form of whole life insurance.**

LIMRA, The Facts of Life and Annuities, 2019

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These facts can be useful information for you and your client. Posting them on social media and offering a way to solve this problem can help you prospect.

## Fact Finder: Sales Scenario

Illustrate the true value of single premium whole life insurance with your client. Here's an example:

### Downsizing



Earl is 67 years old and has recently retired. He bought his home in 1990, and it has since gained value—he sold it this year for \$500,000, and downsized to a \$200,000 townhome to save money on taxes.

Earl wants to grow the money he made selling his house and to diversify it so it's not all in one place. His goal is to supplement his retirement income if necessary and also leave something to his grandkids. Earl decides to purchase a single premium whole life insurance policy for a **\$100,000 premium**—giving him an **initial base death benefit of \$141,398**. He can pass that money on to his family tax-free<sup>4</sup> if he dies, or can use a portion of it in the event he's diagnosed with a chronic or terminal illness.

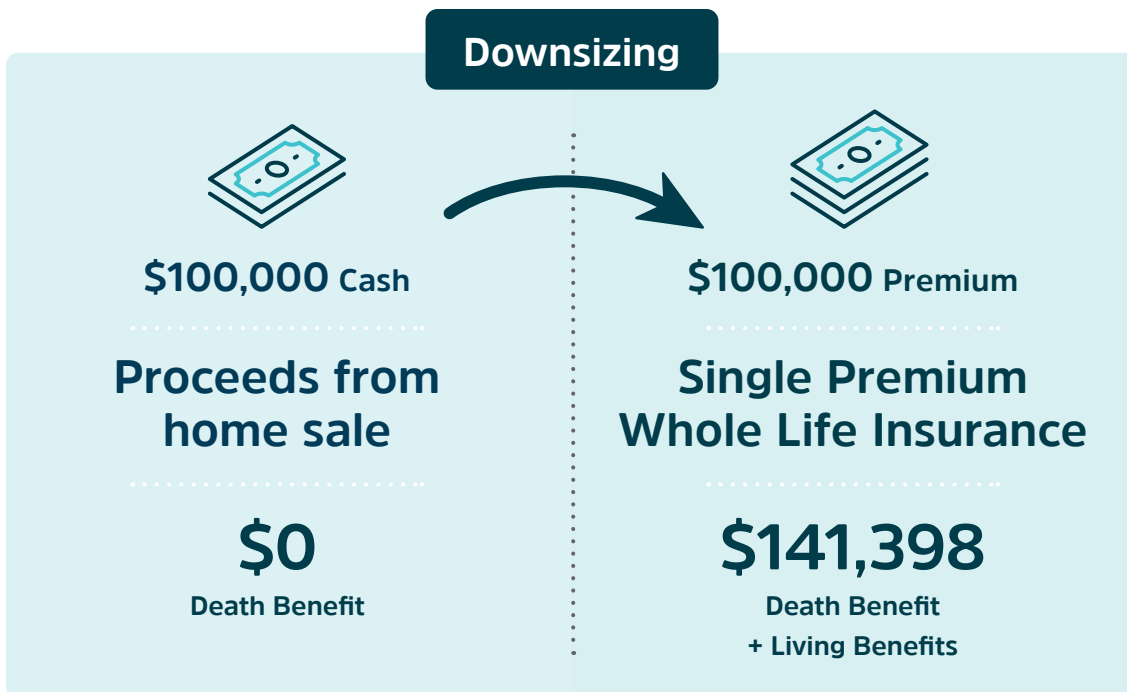


Illustration based on a 67-year-old male, Standard Non-Tobacco



# Prospects

## Wealth Transfer



Brenda is 65 years old, semi-retired and working part-time as a bookkeeper. She has \$17,000 in a CD that she wants to leave to her daughter, but realizes her money is hardly growing with the CD's low interest rates. After talking with a financial professional, Brenda learns that any interest gained on her deposit is considered taxable income—leaving even less for her daughter.

Brenda decides to act when her CD comes up for renewal—she instead uses the money to purchase a single premium whole life insurance policy for a **\$17,000 premium**. That is immediately worth an **initial base death benefit of \$27,550**—a sum that would have taken 50 years to accumulate in the CD! She can now pass the available death benefit to her daughter tax-free<sup>4</sup> when she dies.

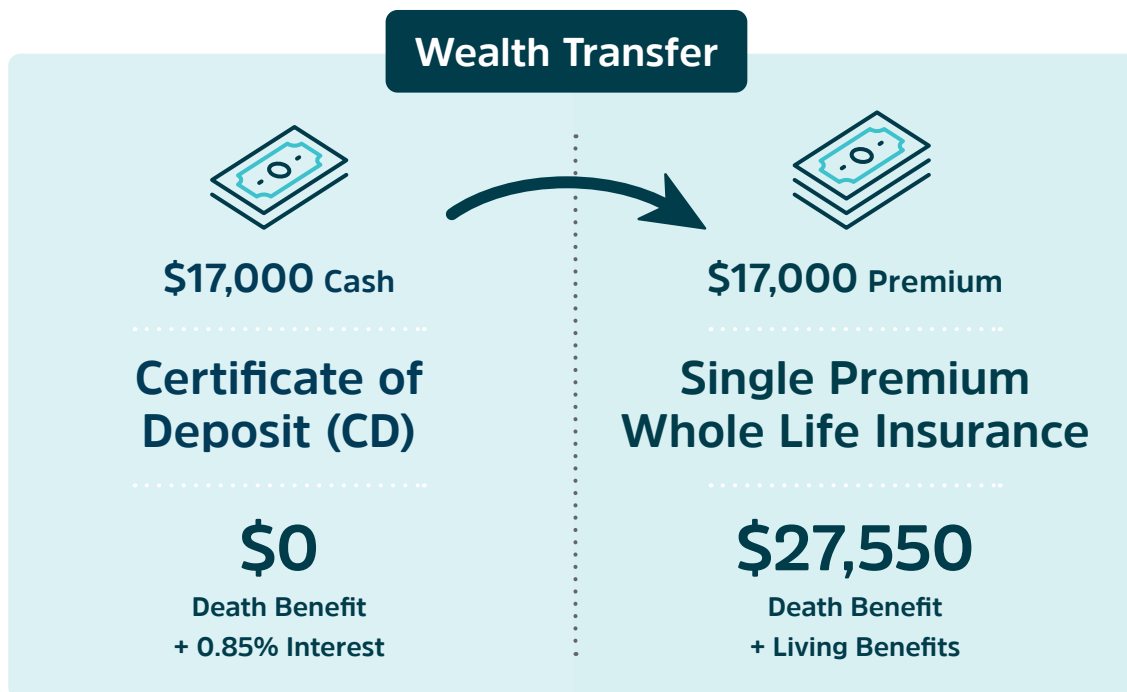


Illustration based on a 65-year-old female, Standard Non-Tobacco

## 1035 Exchange



Mark is 64 years old and looking forward to retirement. He took out a \$350,000 universal life policy with Example Life Insurance Company 25 years ago. He doesn't want to continue paying his premiums on a fixed retirement budget, and he's tired of paying \$250 each month only to watch the policy's cash value decline.

Mark's financial professional looks over his UL policy at an annual insurance review, and shows him that while he's **paid \$75,000** over the policy's lifetime its **cash value is only \$48,000**. If he were to stop paying premiums, his policy would lapse before age 80. Mark doesn't have much debt and no longer needs such a large death benefit, so he decides a 1035 exchange is the right choice.

He uses his UL policy's \$48,000 cash value to purchase single premium whole life insurance. This gives him an immediate **death benefit of \$73,782**, which won't decrease. The Accelerated Death Benefit Rider gives him peace of mind, and the option to access a portion of his death benefit if he's diagnosed with a chronic or terminal illness.<sup>8</sup>

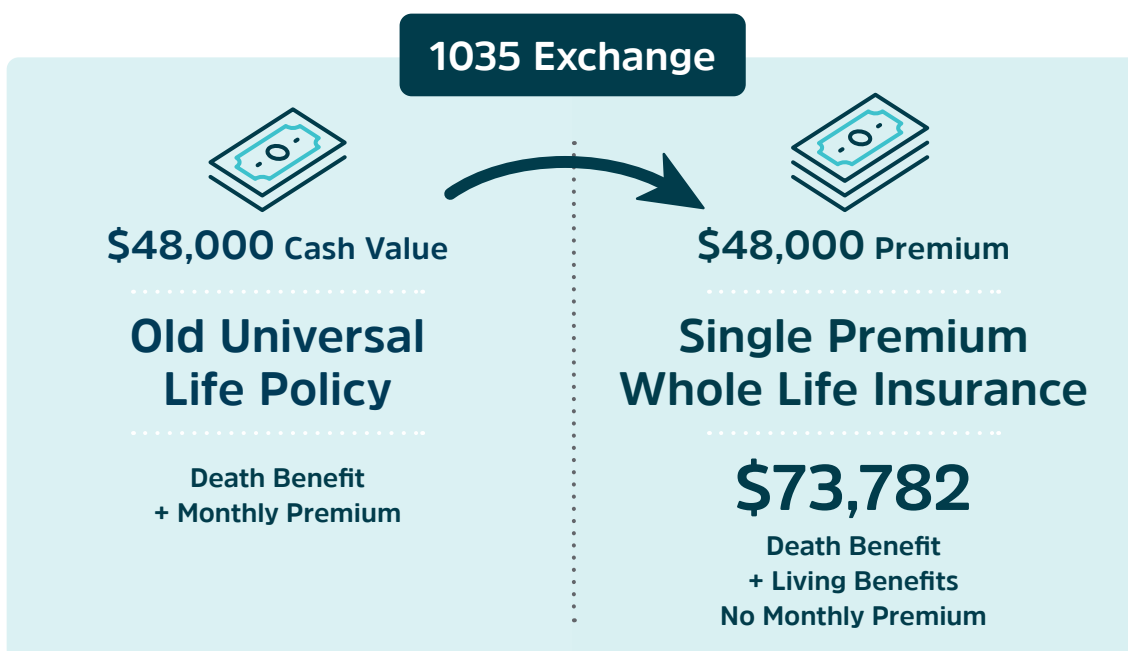


Illustration based on a 64-year-old male, Standard Non-Tobacco

# Prospects

## A Gift for Grandchildren



Joseph is retired and spends a lot of time with his only grandchild, 5-year-old Maddie. He wants to give her something that will last longer than toys or electronics, so he looks into purchasing Maddie a life insurance policy.

Joseph speaks with a financial professional, and decides to purchase single premium whole life insurance with a **premium of \$5,000** and Maddie's parents as the beneficiaries. At the end of the first year, the **death benefit is \$57,816**. By the time Maddie is 25, the **guaranteed cash value\* will be \$7,831**. Maddie can choose to withdraw or borrow that money, or can decide to keep the policy as paid-up life insurance—a gift that prepares her for the future.

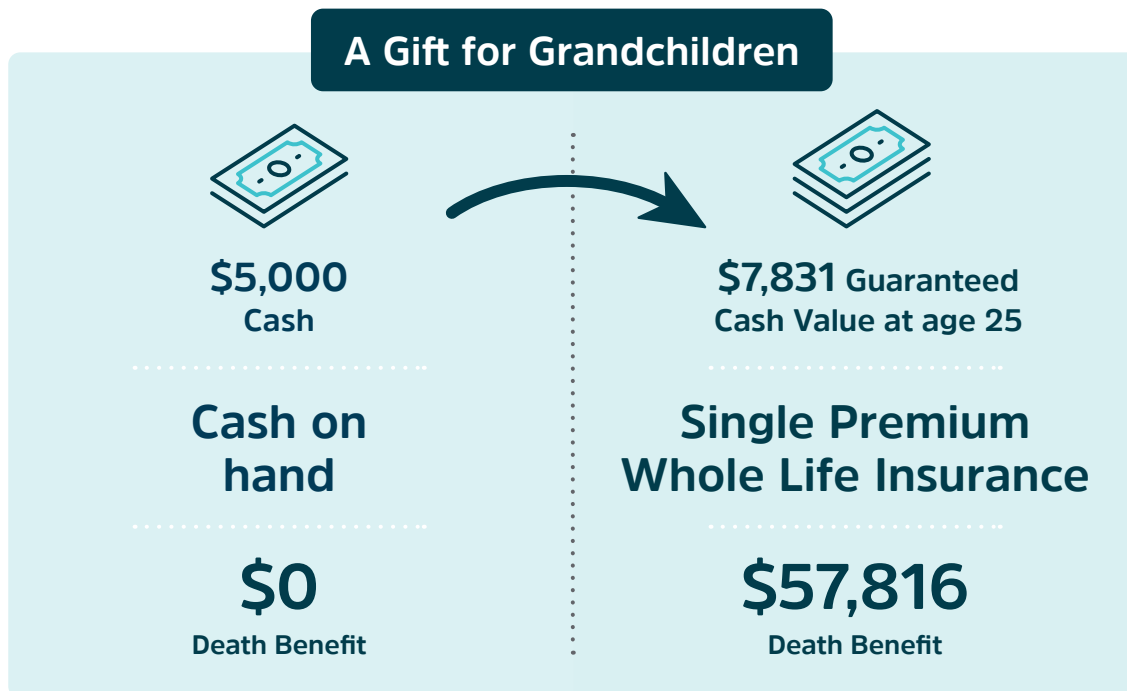


Illustration based on a 5-year-old female, Juvenile with \$2,500 to the base and \$2,500 into the Single Premium Insurance Rider

# Underwriting made easy



With only three underwriting classes to cut down confusion, single premium whole life underwriting is quick and painless. Our expert underwriters are ready to help when you submit a convenient e-app or take care of the interview with the fast and easy tele-app.



## Expanded issue ages

Our issue ages range from 15 days to 85 years, making single premium whole life a great choice across generations.



## Non-medical limits

We don't require medical exams for benefit amounts of up to \$700,000 (ages 0 to 60) or \$450,000 (ages 61 to 85).



## Fast underwriting

Once everything is received in good order, most cases reach final approval within three business days. Thorough and complete answers to health questions will expedite the process.

## Save time!

We'll backdate the policy issue date six months prior to the applicant's signature date to allow for a lower age and qualify for lower rates. Note that this doesn't apply when meeting eligibility requirements.

## Pre-existing conditions? Don't stop the sale.

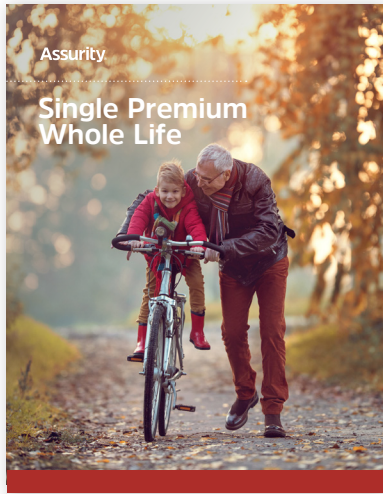
Conditions like kidney disease, weight loss surgery and heart murmurs may not affect your client's coverage. Consult the impairment guide, available on AssureLINK, to check their medical status ahead of time.

Note: to qualify for non-tobacco rates, the applicant must not have used any tobacco or nicotine-based products (including patches or gum) for the last 12 months.

# Tools to help you sell



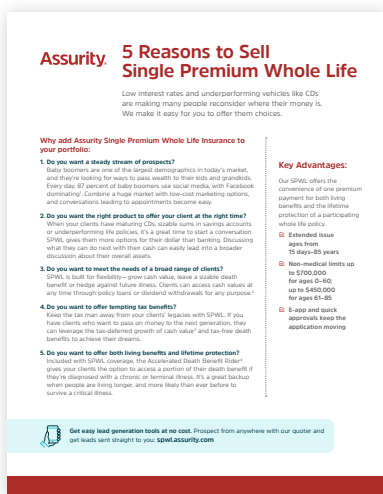
Educate your client about the need for single premium whole life, and get some ideas for you, too. Get these tools and more at <http://bit.ly/AssuritySPWL>



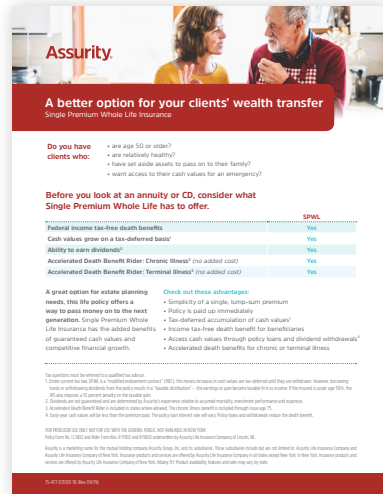
Overview Brochure



Sales Ideas



5 Reasons to Sell SPWL Flyer



CD vs. Annuity Flyer

# Tips for closing the sale



## Overcoming Objections

Many insurance professionals find a Q&A approach helpful when overcoming common objections to single premium whole life insurance. You can help your client understand their need and the true value of the coverage by listening and asking questions.

### Objection:

*Don't I have better places to put my money?*

Ask the following questions to help your client realize the policy's **true value**.

1. Did you know that single premium whole life grows value over your lifetime?
2. What are you currently doing with that money?
3. Do you want to continue paying premiums for life insurance?
4. Did you know that SPWL allows you to pass on your money tax-free<sup>4</sup> when you die?
5. What do you need the money for?

**Objection:**

*I don't want to go through the hassle of blood tests and underwriting. A CD is easier.*

Ask the following questions to show your client how **easy SPWL is**.

1. Is the ease of a CD worth the low returns?
2. Did you know you may not need to have tests done?
3. Did you know that you'll know your policy's status after just three days?
4. Are the benefits of SPWL worth a few extra steps?

**Objection:**

*I've had my current policy for years.*

Ask the following questions to show your client **where their coverage falls short**.

1. Does your current policy grow cash value?
2. Do you want to pay premiums for the rest of your life?
3. What would your current policy leave to your loved ones?
4. Does your current policy include provisions for living benefits?

## Tips for closing the sale

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### **Attach Value to Single Premium Whole Life**

Talking about SPWL in terms of your client's retirement plans can illustrate its importance, but it's not the only way to frame the sale. Attach value to single premium whole life insurance by discussing with your client how they can use it to pass on their wealth to the next generation, protect themselves from the financial fallout of a chronic or terminal illness or grow the value of their savings.

**Help them understand that SPWL offers them more than money:**

- Options and choices
- Control over their future and legacy



**Get started growing your sales today! Our team is ready to help and just a phone call away.**



## **Tie It All Together**

### **Tell a story**

People connect to stories. So tell them what might happen if they face a terminal or chronic illness without the living benefits of single premium whole life insurance. You may personally know someone who lost their savings to an illness and became unable to leave a legacy—share their story. Tell them why you have life insurance, and why it's important to you.

### **Share statistics**

Stats rarely sell insurance, but they can support the importance of why your client needs coverage. Figures on the incidence of chronic conditions, CD returns and retirement savings are all valuable in helping to frame the discussion with your client.

### **Emphasize the need**

If your client is planning to leave money to their loved ones, they probably don't want it to be taxed—let them know that SPWL can maintain their savings and guarantee their heirs will receive what's left to them.

### **Make it personal**

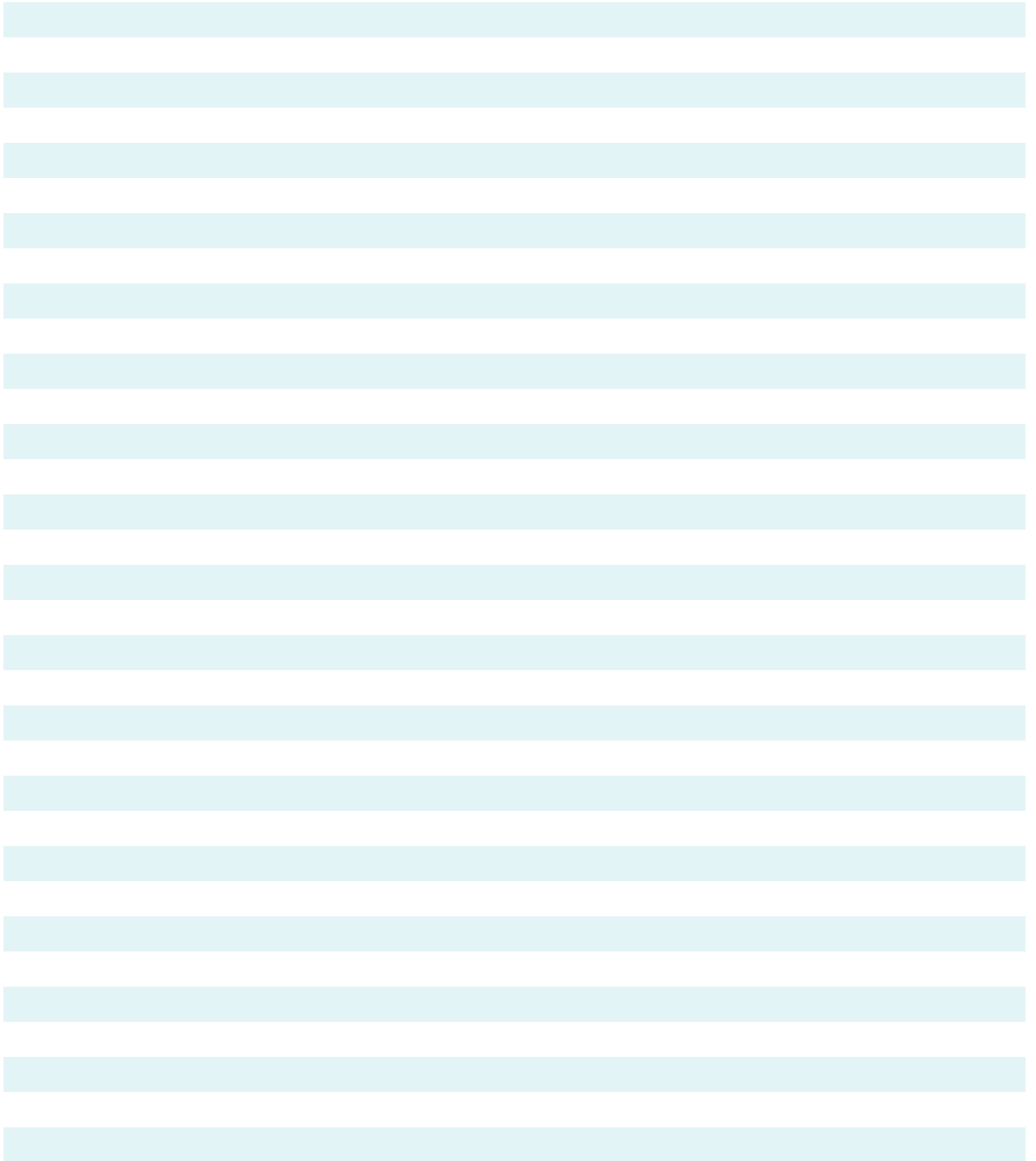
Ask your client about the type of legacy they'd like to leave, and if those dreams could survive the diagnosis of a terminal or chronic illness. Protection offered by SPWL can give them peace of mind now and in the future.

### **Be confident**

When you're working with Assurity, you're working with a carrier that puts people and planet first. As a mutual organization and a Certified B Corporation, we're committed to using our business as a force for good.

# Notes

Blank lined area for notes, consisting of 20 horizontal light blue lines.





## Why we're different.

### Mutual strength

For over 130 years, our financial strength has helped people support one another through difficult times.

### A force for good

As a Certified B Corporation, we work toward positive impacts for employees, communities and the environment.

### Personal service

Get the customer service you need from real, responsive and efficient people in our Lincoln, Nebraska headquarters.

### Customer Service

800-276-7619  
Ext. 4264

### Find out more

[assurity.com](http://assurity.com)

Certified



This company meets the highest standards of social and environmental impact

Corporation

1. "The Coming Exodus of Older Homeowners" Fannie Mae, 2018
2. "How Much Does the Average American Have in Savings?" Magnify Money, 2019
3. "Historical CD interest rates: 1984 -2020" Bankrate, 2020
4. Under current tax law, SPWL is a "modified endowment contract" (MEC); this means increases in cash values are tax deferred until they are withdrawn. However, borrowing funds or withdrawing dividends from the policy results in a "taxable distribution" - the earnings or gain become taxable first as income. If the insured is under age 59½, the IRS also imposes a 10 percent penalty on the taxable gain.
5. Dividends are not guaranteed and are determined by Assurity's experience relative to assumed mortality, investment performance and expenses.
6. Early-year cash values will be less than the premium you paid. The policy loan interest rate will vary. Policy loans and withdrawals reduce the death benefit
7. Accelerated Death Benefit Rider is included in states where allowed. The chronic illness benefit is included through issue age 75. Accelerated benefits reduce the death benefit
8. Terminal illness means a condition that results in an expected life span of 12 months or less, as certified by a physician.

Tax questions must be referred to a qualified tax advisor.

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Policy Form No. I L1802 and Rider Form Nos. R I1902 and R I1803 underwritten by Assurity Life Insurance Company of Lincoln, NE.

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