



American Legacy and Young American Legacy Plans. These single premium whole life insurance plans were designed for a growing market with specific financial planning needs. They were structured to provide an excellent dollar value for our customers and ample compensation for our representatives. The promotional and educational materials we provide are intended to help you identify prospects for these plans and assist them in this aspect of insurance planning. We hope these plans will provide you with new sales opportunities.

Plan Characteristics

Policy Form:	ICC16 SPWL (All states except FL, ND & SD) 05 SPWL and state variations for FL, ND & SD.
Plan Description:	Single premium whole life insurance. Guaranteed face amount and cash value. Participating.
Issue Ages:	20 - 85 (age nearest) The American Legacy Plan 0 - 19 (age nearest) The Young American Legacy Plan
Issue Minimum:	\$5,000 (face amount)
Premium Rates:	Male/Female Tobacco/Non-Tobacco
Additional Benefits:	Accelerated Benefit Rider
Policy Fee:	\$100.00
Software:	Yes
Participation:	Dividends to purchase paid-up additions. Death benefits grow during the life of the contact. Other dividend options: Cash and Interest accumulation.
Underwriting:	Conventional underwriting based on Net Amount at Risk, which is the difference between the face amount and the premium. (Face Amount - Premium = Net Amount at Risk)
Modified Endowment:	Under Section 7702, IRC, this plan is a modified endowment contract. Policyowners will be provided with all required disclosures.

Conversions and Exchanges:

Term life insurance policies may be converted from term insurance to the American Legacy Plan in accordance with the conversion privilege in the term policy.

Existing whole life policies may be exchanged for an American Legacy Plan. No evidence of insurability will be required for the same face amount. Replacement forms must be completed as required by your state. Commissions will be adjusted as follows:

Exchanges during the first 12 months: Premium credit will be given and commissions will be charged back. A full commission will be paid on the new American Legacy Plan.

Exchanges after the first year: No premium credit will be given. Commission for the American Legacy Plan will be paid on any *increase* in premium only.

Target Market(s):

Middle to upper income seniors (60-up) with defined pension plans, additional benefits (401K, stock options, executive bonuses, etc.) and surplus cash (not required for income or emergencies).

Clients with cash values in poorly-performing life insurance policies, who have a desire to cease paying premiums (where values would be transferred to an American Legacy Plan via 1035 exchange). Note: It is extremely important that such transactions be conceived and executed in the best interest of your client. Issues of insurability and contestability must be understood by your client. Our Underwriting Department will not execute a 1035 exchange until the new policy is approved.

Clients with an expressed desire to pay all required premiums at one time.

Clients with an expressed desire to minimize the taxation of their estates and avoid probate fees.

Clients, particularly grandparents and parents, who wish to start a life insurance program on a juvenile with a one time premium (The Young American Legacy Plan).

Sales Ideas:

Analyze your client database for potential clients. Mail a special notice regarding the American Legacy Plan. Use our plan brochure to demonstrate the advantages of single premium life.

Be conscious of the premium-purchase concept. Your clients may be more interested in committing premium to the plan than specifying a face amount of coverage. Our software will make the process easy for you.



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