

WrapPlan® II

Flexible Premium
Adjustable Universal Life Insurance



Endorsed By:
**MEMBER
BENEFITS**
kysut
Working to Benefit You



Your family and financial obligations don't end at upper ages...neither should your life insurance.

WrapPlan® II Flexible Premium Adjustable Life Insurance (*Universal Life Insurance*) was designed especially for NYSUT members. Whether you have existing term life insurance or none at all, you may easily apply for WrapPlan II coverage.

This innovative Universal Life Insurance policy offers a sensible way to plan for a continuing need for life insurance both now and into retirement.

Complements ANY Term Life Insurance Plan

- ✓ NYSUT Member Benefits-endorsed programs
- ✓ Employer or Local Union-sponsored programs
- ✓ Privately purchased programs

Eligibility Requirements:

You must be

- ... a NYSUT member in good standing
- ... actively at work or retired
- ... age 70 or younger
- ... a resident of or employed in the state of New York

***No Medical Exams or
Blood Tests Required!***

Guaranteed issue (GI) up to \$100,000 for NYSUT members. Acceptance will be based upon answers on your application for insurance amounts over GI amount.

How it works...

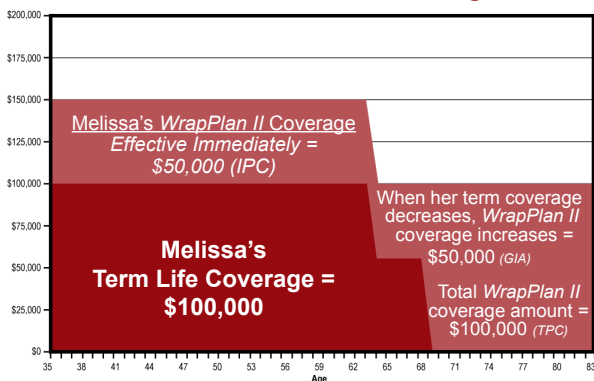
Term Life Insurance typically terminates or dramatically decreases at upper ages. The WrapPlan II allows members and their spouses to purchase life insurance coverage that increases when their existing term insurance decreases or terminates.

Here's an example:

Melissa, a 35-year-old NYSUT member, has \$100,000 of term life insurance. At age 70, her coverage will automatically decrease to \$50,000 and then terminate on her 75th birthday... leaving her with no life insurance coverage at all!

When Melissa purchases \$100,000 of WrapPlan II coverage, \$50,000 will become effective immediately and the other \$50,000 will become effective at age 70... when her term life insurance is scheduled to decrease!

WrapPlan II coverage "wraps" around Melissa's term life coverage...



IPC + GIA = TPC

Immediate Personal Coverage (IPC): The initial coverage amount that becomes effective immediately upon purchase of the policy.

+

Guaranteed Increase Amount (GIA): The amount of additional coverage that becomes effective at a pre-determined age, usually when your term life coverage decreases or terminates.

= Total Portable Coverage (TPC): The entire amount of WrapPlan II coverage purchased.

Level benefit coverage is also available to members who do not have existing term life insurance.

Features and Benefits

- ✓ Up to **\$300,000** of coverage available.
- ✓ **No medical exam or blood tests required.**
- ✓ Provides coverage to **age 95.**
- ✓ **Accumulates cash value.**¹
- ✓ **Spouse and child coverage available.**
- ✓ **Available to members age 70 or under.**
(Retirees may apply for maximum coverage amount of \$100,000.²)
- ✓ Convenient **payroll or pension deduction** of premiums available. (Premium payments may also be made via direct bill, credit card or automatic checking account deductions.)

Acceptance will be based upon answers on your application for insurance for amounts over guaranteed issue amount.

“Living Benefit” Riders Include:

- ✓ **Waiver of Monthly Deductions for Total Disability Rider** (Rider Form FRDWMDNY)
 - Waives the cost of insurance while the insured is disabled.
 - Available to insureds age 55 or younger at the time of application.
 - Takes effect after six months of total disability. Once effective, waiver is retroactive to the date that the disability commenced.³
- ✓ **Accelerated Death Benefit for Terminal Illness Rider** (Rider Form FRABTINY)
 - Allows access to up to 50 percent of the *WrapPlan II* death benefit while still living, if diagnosed with a terminal illness.⁴
 - Terminally ill insureds have the ability to activate their GIA option before exercising the accelerated benefit feature.

¹ The guaranteed tax-deferred interest rate is 4.00%; the current interest rate is declared by the company based on current investment returns.

² Members age 66-70 are required to answer medical questions and sign authorization to release medical information. No medical exam or blood test required.

³ Coverage under this rider terminates on the policyholder's 61st birthday, unless the insured is totally disabled at such time.

⁴ A terminal illness is defined as one that results in a life expectancy of 12 months or less.

Frequently Asked Questions

Q: If the amount of my term life insurance increases at a future date, can I also increase my *WrapPlan II* coverage?

A: Yes. Increases in coverage are available under *WrapPlan II* up to specified limits and subject to eligibility requirements.

Q: What happens if I leave my current employer?

A: You may continue *WrapPlan II* coverage with direct premium payments to the insurance company.

Q: Can I borrow against my certificate's cash value?

A: Yes. Certificate loans are available. A net interest rate of 2 percent is charged for loaned certificate values. The loan and interest may be repaid in any amount of \$25 or more, at any time you wish. There is no requirement for loan repayment as long as the certificate's accumulation value is sufficient to cover premiums plus any interest that is due. Any outstanding loan plus interest due at the time of death will be deducted from the proceeds payable to the beneficiary.

Q: What is the method of determining interest crediting on accumulation values?

A: Interest is comprised of two parts:

- 1) Guaranteed Interest Rate, which is 4.00% lifetime, and
- 2) Excess Interest Rate, which is declared by Transamerica Financial Life Insurance Company, underwriter of the policy, based on the earnings experience of their general investment account. Current practice is for the company to maintain the initial interest for at least one year.

The combination of the Guaranteed Interest Rate and Excess Interest Rate is referred to as the Current Interest Rate.

Q: Is *WrapPlan II* coverage available for my spouse/domestic partner?

A: Yes. If your spouse is covered by a term life insurance policy provided through NYSUT Member Benefits, he or she may apply for up to

For more information, call the plan coordinator, Aon Voluntary Benefits & Enrollment Solutions, toll-free at 866-697-8897.

\$300,000 of WrapPlan II coverage. If your spouse does not have term insurance, he or she may apply for up to \$50,000 of WrapPlan II coverage. Your spouse must answer a few medical questions to qualify for coverage. There are no medical exams or blood tests required.

Q: Can I cover my children?

A: Child coverage is available for \$5,000 or \$10,000 per child, for children 15 days old through age 25.

Q: How long can I keep my WrapPlan II coverage?

A: The *WrapPlan II* insurance benefit ends at age 95. Accumulated cash value, if any, will be returned to you following your 95th birthday.

Q: What is the difference between the Accumulation Value and the Net Cash Value (Surrender Value)?

A: The *WrapPlan II* Accumulation Value is the amount of cash in your certificate that is earning interest. The Net Cash Value is that portion of the accumulation value that you will receive should you decide to cancel your policy. During the first seven certificate years, the Accumulation Value is greater than the Net Cash Value; however, that difference decreases each year and at the end of the seventh certificate year, the Net Cash Value is equal to the full Accumulation Value. There are no surrender charges after seven years of plan coverage.

Q: If I discontinue my term life insurance earlier than I originally anticipated, can I exercise my WrapPlan II guaranteed increase option at that time?

A: Yes. Regardless of the reason for early cancellation of the term coverage that you “wrapped,” you may exercise the Guaranteed Increase Amount at that time. However, an earlier than planned increase under your *WrapPlan II* certificate may require an increased premium contribution.

Q: How much will it cost?

A: The cost of your policy depends on several factors, including your current age, the amount of coverage that you wish to purchase, the age you select to have your GIA become effective, and the number of years that you wish to pay premium.

Q: If I do not have any term life insurance, can I apply for *WrapPlan II*?

A: Yes! Level benefit coverage is available up to \$300,000 for members who have no existing term life insurance.

30-DAY “FREE-LOOK” PERIOD

The Department of Insurance requires that policyholders be given 10 days to review a new policy.

As a member of NYSUT, when you receive your *WrapPlan II* Certificate, you will have **30 days to review**.

If for **any reason** you decide to cancel your coverage, you may do so by returning your Certificate to us with signed instructions to cancel. Any premiums collected will be refunded in full.



*This is a brief summary of the features of *WrapPlan II*. Limitations and exclusions may apply. Refer to your certificate and riders for complete information.*

For more information, call the plan coordinator, Aon Voluntary Benefits & Enrollment Solutions, toll-free at 866-697-8897.

Transamerica Financial Life Insurance Company's Flexible Premium Adjustable Life Insurance (WrapPlan® II) is a NYSUT Member Benefits Trust (Member Benefits)-endorsed program. Member Benefits has an endorsement arrangement of 6.5% of first-year premium and 0.195% of renewal premium, with a guaranteed annual minimum amount of \$100,000 for this program. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

*Transamerica Financial Life Insurance Company
Home Office: Harrison, NY
Policy Form Numbers FPWRAPUL and FCWRAPUL*

For more information on
WrapPlan® II
for NYSUT Members,

please call the
plan coordinator, Aon Voluntary
Benefits & Enrollment Solutions,
toll-free at:

866-NYSUT-WP
(697-8897)

