



Don't Sweat It.

No Estate Tax Liability Required.

These days justifying coverage for prospects without an estate tax liability can be a pretty taxing endeavor. Well, don't sweat it, Transamerica is making the task a lot easier. Thanks to our enhanced financial underwriting guidelines, now you can help prospects obtain coverage based on their net worth, and irrespective of their estate tax liability.

Example

Prospect:	Joe, Male, aged 65, retired
Goal:	Leave a small legacy to his grandchildren
Net Worth:	\$3,000,000
Coverage based on income replacement needs:	\$0
Coverage based on estate tax liability needs:	\$0

Previous guidelines wouldn't approve Joe for any life insurance coverage because he does not meet the threshold income requirements and based on current estate tax tables, would not be eligible for coverage based on estate tax liability needs.

However, with Transamerica's innovative Financial Underwriting, Joe can obtain \$4.2 million of coverage!

Here's How It Works

After calculating the applicant's net worth, Transamerica applies a base interest rate and the applicant's near life expectancy to arrive at a projected estate value. Transamerica will cover 50%, after taking into consideration any in-force coverage.

Age	Expected Annual Interest	Number of Years
To age 65	7%	15
Age 66 to 75	7%	10
Over age 75	7%	7

Table above reflects the applicable growth factor and years.

In Joe's situation, Transamerica will now take his current net worth of \$3 million x 50% plus a 7% growth factor for 15 years and qualify Joe for approximately \$4 million of coverage.

Therefore, under Transamerica's financial underwriting guidelines, even without income and an estate tax liability, Joe can still leave a legacy to his grandchildren.

But what if prospects do have earned income?...

Sally has earned income and wants to leave a legacy to her loved ones.

Example

Prospect: Sally, Female, aged 40
 Current Income: \$80,000
 Current Net Worth: \$250,000

Traditional guidelines would approve Sally for only a limited amount of life insurance coverage because she has a modest net worth and currently faces no estate tax liability. With Transamerica’s innovative financial underwriting guidelines, however, Sally can qualify for nearly \$4 million of coverage and leave a legacy to her loved ones.

Here’s How It Works

Apply the formula used to calculate Joe’s coverage based on current net worth: Sally’s current net worth of \$250,000 x 7% growth factor for 15 years x 50% = \$344,879.

And because Sally has earned income, this annual earned income can be factored in to increase the potential amount that can be considered.

Including a 3% Cost of Living Adjustment, Sally can be considered for nearly \$4 million of life insurance coverage.

To determine the qualifying coverage based on annual earned income, use the following table to determine the appropriate income factor, which is then multiplied by the insured’s current annual income.

Age	Income Factor
To age 35	30
36 to 45	25
46 to 50	20
51 to 55	15
56 to 65	10
66 to 70	5
71 and over	Individual Consideration

In addition, Transamerica will generally offer coverage to an insured’s non-working spouse in an amount equal to one half of the insured’s coverage, up to \$2,500,000.

Transamerica’s innovative financial underwriting is just one of the many enhancements we’ve made to our underwriting to make life a little easier.

Underwriting to Make Life a Little Easier.

Contact us today!

Transamerica Financial Life Insurance Company is authorized to conduct business in New York. Transamerica Life Insurance Company is authorized to conduct business in all other states.

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