

Williamson
LPA/LTC

IUL Solutions

Indexed Universal Life Insurance

03/23 For producer use only



Underwritten by
United of Omaha Life Insurance Company
A Mutual of Omaha Company

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Strong, Stable & Secure for Over 100 Years



A.M. Best Company, Inc.
for overall financial strength and ability to
meet ongoing obligations to policyholders

This rating is second highest of 16



Moody's Investors Service
for current financial strength and ability to
withstand financial stress in the future

This rating is fifth highest of 21



S&P Global
for financial strength to meet obligations to
policyholders

This rating is fifth highest of 21

United of Omaha Life Insurance Company

Ratings as of March 2022

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The IUL doesn't
have to be
confusing...

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- Simple IUL Design is possible
 - Accumulation Focused – Income Advantage
 - Protection Focused – Life Protection Advantage
- Forbes “Best Life Insurance Company 2023”
- Forbes “Best for Indexed Universal Life” 2022
- Investopedia “Best IUL 2022”
- WYSIWYG 2019



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IUL Terminology

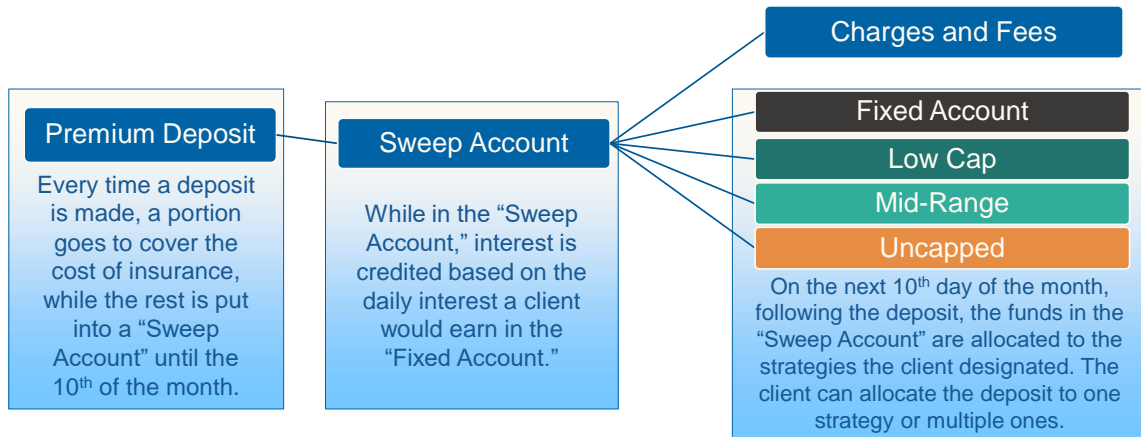
- **Participation Rate:** The percentage of the overall index return that will be used in the calculation of the index interest credit
- **Cap Rate:** The maximum interest rate used in the calculation of the index interest credit
- **Floor:** The minimum index interest rate that can be credited (0 percent)

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What happens when deposits are made?



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What is an IUL policy?

A life insurance policy that works just like a traditional UL with one exception:



The interest rate credited to the policy is based on the performance of a market index



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Simple IUL Design

- One index with a straightforward, annual point-to-point crediting method
- Competitive participation rates and caps

	100% participation	Higher participation / lower cap	Lower participation / no cap
Income Advantage	100% 10% cap	140% 7% cap	50% Uncapped
Life Protection Advantage	100% 8.5% cap	140% 6% cap	40% Uncapped

- Published historical crediting rate AND renewal rate since inception!



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2022 CREDITING RATE HISTORY

Below is a summary of the interest rates that have been credited to actual Income Advantage IUL policies based on the performance of the S&P 500. It also includes the renewal participation and cap rates. These rates are for informational purposes only. Past performance is not indicative of future results.

100% PARTICIPATION STRATEGY							
Segment Start Date	Beginning S&P 500 Value	Segment End Date	Ending S&P 500 Value	S&P 500 Change	Cap Rate	Segment Crediting Rate	Renewal Cap Rate
1/10/2021	3,824.68	1/10/2022	4,670.29	22.11%	10.00%	10.00%	10.00%
2/10/2021	3,909.88	2/10/2022	4,504.08	15.20%	10.00%	10.00%	10.00%
3/10/2021	3,898.81	3/10/2022	4,259.52	9.25%	10.00%	9.25%	10.00%
4/10/2021	4,128.80	4/10/2022	4,488.28	8.71%	10.00%	8.71%	10.00%
5/10/2021	4,188.43	5/10/2022	4,001.15	(4.47%)	10.00%	0.00%	10.00%
6/10/2021	4,239.18	6/10/2022	3,900.86	(7.98%)	10.00%	0.00%	10.00%
7/10/2021	4,369.55	7/10/2022	3,899.38	(10.76%)	10.00%	0.00%	10.00%
8/10/2021	4,436.75	8/10/2022	4,210.24	(5.11%)	10.00%	0.00%	10.00%
9/10/2021	4,458.58	9/10/2022	4,067.36	(8.77%)	10.00%	0.00%	10.00%
10/10/2021	4,391.34	10/10/2022	3,612.39	(17.74%)	10.00%	0.00%	10.00%
11/10/2021	4,646.71	11/10/2022	3,956.37	(14.86%)	10.00%	0.00%	10.00%
12/10/2021	4,712.02	12/10/2022	3,934.38	(16.50%)	10.00%	0.00%	10.00%

Average crediting rate since product introduction (3/10/2016): 8.05%

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How is the IUL policy's growth typically used?

Life Protection Advantage – protection focused policy

- To keep the death benefit protection 'in force' and guaranteed for things like:
 - Estate equalization
 - Estate settlement costs
 - Lost check Social Security income protection

Income Advantage – income accumulation focused policy

- To provide cash value which can be accessed for things like:
 - College funding
 - Retirement expenses
 - Any reason the client chooses



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Plus, Great Living Benefits

• Guaranteed Refund Option

- Provides qualifying policies with an extra layer of guaranteed protection
- Max benefit capped at 80% of face amount
- The GRO rider provides seven 60-day windows in which policyowners can surrender their policy and receive their paid premiums back – up to 50% at the end of year 15 and up to 100% at the end of years 20, 21, 22, 23, 24 and 25

• Accelerated Death Benefit for Chronic and Terminal Illness

- No additional cost at issue
- No additional underwriting
- Same qualification criteria as LTC – inability to perform 2 out of 6 ADLs or severe cognitive impairment.



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LTC Rider

- Reimburses for covered long-term care services if your client
 - Needs substantial supervision due to cognitive impairment; or
 - Is unable to perform 2 of 6 Activities of Daily Living (ADLs)
 - Bathing
 - Continence
 - Dressing
 - Eating
 - Toileting
 - Transferring
- After the 90 calendar-day elimination period



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Underwriting

- Will have separate underwriting guide
- Underwriting is done by Life underwriters (no handoff between Life/LTC)
- Available ages: 30-79
- Not available above a Table 4, or with flat extras
- Separate underwriting class from life policy
 - Preferred
 - Standard
 - Substandard Class 1
 - Substandard Class 2
- Fit credits do not apply to LTC Underwriting Class



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Care Coordinator Services

- Licensed health care professionals (no elimination period to use)
- Help clients assess their needs, develop an individualized plan of care and arrange for long-term care services
- When used, clients may also be eligible for stay-at-home benefits:
 - Caregiver training
 - Durable medical equipment
 - Home modification
 - Medical alert system

Stay-at-home benefits combined are limited to 2 times the maximum monthly benefit amount; no elimination period applies



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Design: Benefit Amounts

- Choose benefit at issue, within Winflex:

Maximum LTC Rider Benefit Amount	X	Monthly Acceleration Percentage	=	Maximum Monthly Benefit (MMB)
Min of \$100,000; Max of \$2M on 1% and 2%; \$1.25M on 4% (or initial specified face, if less)		1%, 2% or 4% per month		
\$200,000	X	4%	=	\$8,000 MMB
\$300,000	X	2%	=	\$6,000 MMB
\$500,000	X	2%	=	\$10,000 MMB
\$1,000,000	X	4%	=	\$40,000 MMB
\$1,250,000	X	4%	=	\$50,000 MMB

The most a client could ever get is \$50,000 – this is based on our internal life policy retention



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LTC Rider

- Available on:
 - Income Advantage IUL
 - Life Protection Advantage IUL (preferred product choice)
- In all states except California
- Reimbursement rider – will pay based on actual expenses
- An opportunity to access all or a portion of the life insurance death benefit early for covered long-term care expenses



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LTC rider

- Upfront cost, but no discount on back end
-  **Tip:** If your client purchases a \$1M - \$1.25M benefit pool, a 4% benefit payment costs the same as a 2% benefit payment percentage
- Cost is monthly COI
- Rider COI Rates are guaranteed not to increase
- Once receiving LTC Rider benefits, rider charges are waived; however, life insurance policy and other rider charges will continue



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Design: Chronic Option / Back-Up

- Will continue to have option for Chronic Illness rider if don't want LTC rider or if are declined for LTC rider
- Most competitors do not offer this flexibility – allows them to not have to go back and take a separate app if declined for LTC



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Will the policy perform as illustrated?

**Simple Answer = NO
(99.9% chance it won't)**

- If the policy performs better...
 - Clients have more flexibility with prolonged death benefit protection and increased cash value
- If the policy performs worse...
 - Zero is your hero
 - The annual reset helps with volatile markets



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Where Can You Find All the Marketing Materials?

- Our LTC Rider Website:
www.mutualofomaha.com/ltc-rider
- Includes:
 - LTC Rider information and materials
 - LTC Rider presentation
 - Sales ideas
 - Cost-of-care calculator



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Questions?



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Thank You From Your Sales Team



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