Signature Guaranteed Universal Life Insurance

Planning for Future Needs

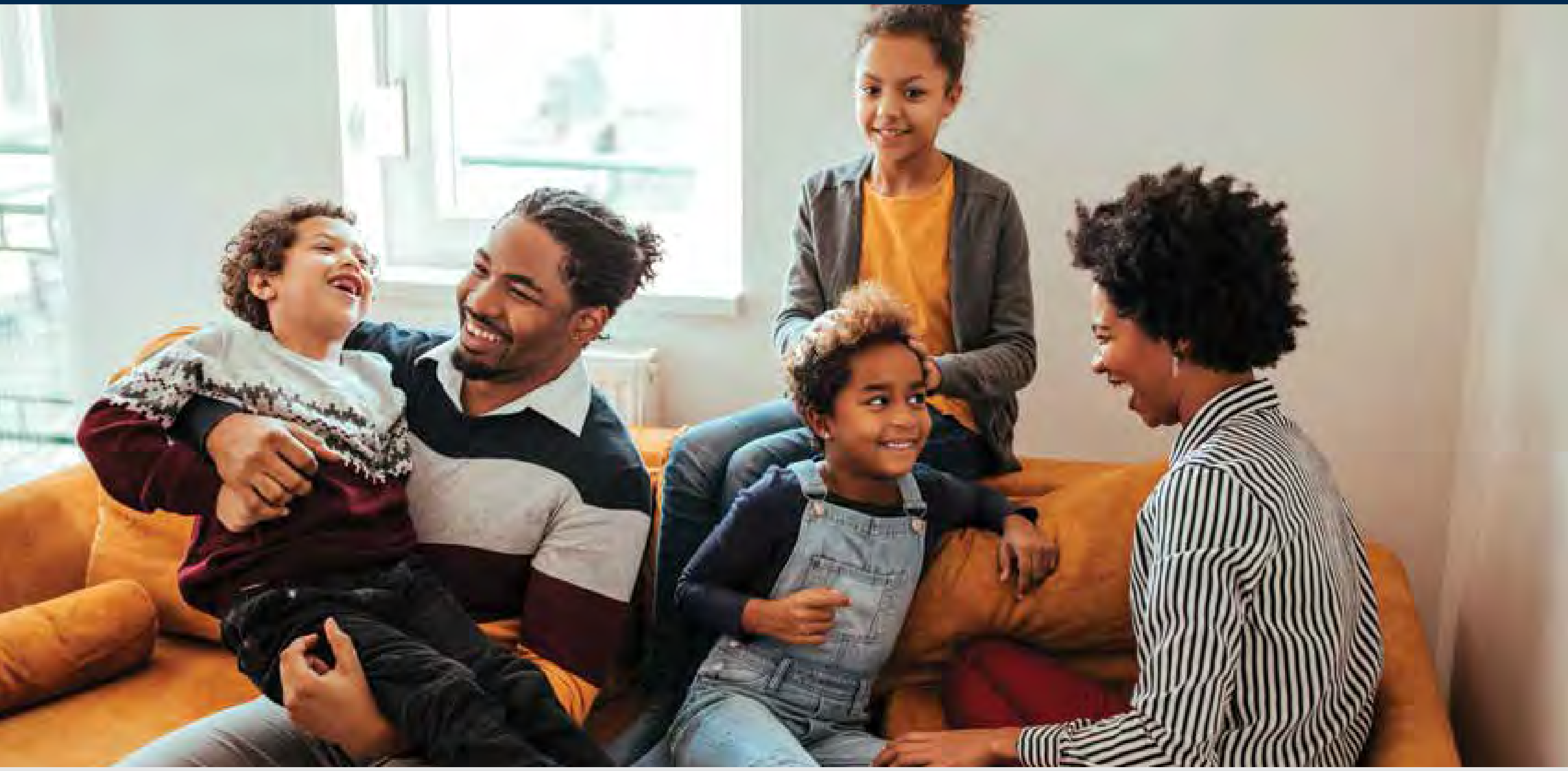
During the course of a family's life, needs and goals change substantially.

There are several factors that dictate the amount of coverage a family may need.

A way to meet the changing needs of family life while offering flexible protection is by purchasing two life insurance policies for both parents.

Thankfully, American National's Signature Guaranteed Universal Life Insurance can aid in doing just that.

Signature Guaranteed Universal Life Insurance



Challenge

A family of five has the father set as their sole provider of income. Both parents are 45 years old and the children range in ages from six to nine. Their concern is that, as the children go out on their own, the family home is paid off, and retirement accounts are funded, their coverage needs will decrease. How should the family protect themselves, both currently and in the future, when they anticipate changing financial situations and goals?

Solution

Two $500,000 Signature Guaranteed Universal Life Insurance polices that cover each parent This approach could meet the current protection needs of the family while providing them with the flexibility to meet changing needs and goals.

Dad Needs to Use the Accelerated Benefit Riders

Signature GUL policies are issued with Living Benefit Riders for Critical, Chronic, and Terminal Illness[1]. If dad were to suffer a qualifying medical event, such as a life threatening heart attack, stroke, or cancer, the Accelerated Benefit Riders could provide a discounted accelerated benefit in exchange for the entire policy or a partial reduction in the policy's death benefit. This accelerated payment is unrestricted and can be used for any purpose. This could be a relief to a family that may need money to pay for care, mounting medical bills, or other needs.

With two $500,000 policies in place, one policy could be partially or fully accelerated while the other is left fully intact to provide for the family in the event that dad passes away.

Signature Guaranteed Universal Life Insurance

Dad Passes Away While the Family is Young

Should dad pass away while both policies are in effect, the family would receive $500,000 of death benefit.

This money could be used to pay off the family home, provide funds to educate all three children, provide current cash flow, and a retirement nest egg for mom.

Cash-Out One Policy and Keep the Other

They could surrender one of the $500,000 policies after 20 or 25 years and receive all of the premiums they had paid back subject to a cap of a percentage of the initial death benefit. In many cases, they would qualify to receive all of their premiums back tax-free as this is simply a return of premiums they had already paid.

With a return of premium on one of the $500,000 policies they would still have one $500,000 policy they could keep for the rest of their lives that would provide additional funds for mom and a legacy for the children. This money could be used to pay off any remaining debt they have, repurpose the money in a Single Premium Immediate Annuity to provide additional lifetime income or could be used to fund a trip, a new car or any other use dad and mom may have for the money.

Cash-Out Both Policies

Lastly, if mom and dad didn't need the death benefit to fund a legacy for their children they could enhance their retirement by surrendering dad's policy after 20 years and receive $77,620 and surrender the mom's policy after 25 years and receive a check for $78,125. This way mom and dad would receive a total of $155,754 back tax free. This allows for the flexibility to use the life insurance to protect their family and then repurpose the premiums later to enhance retirement income and lifestyle in retirement.

Policy Form Series SGUL18; GCOR15; GCOR15(NY); SGUL18(NY) (Forms may vary by state).

Signature Guaranteed Universal Life Insurance

Accelerated Benefit Riders

Policy Form Series: ABR14-CT, ABR14-CH, ABR14-TM (ND & SD Form Series ABR22-CT, ABR22-CH, and ABR22-TM), ABR14-TM(NY) and ABR14-CH(NY). Forms will vary by state and may not be available in all states. Have your agent refer to rider forms for a complete list of illnesses and definitions. Some states may limit the definition of terminal illness to conditions that are expected to result in death within 12 months. 1) Critical Illness is not available in New York. Chronic Illness is not available on products with term riders in California. The riders are offered at no additional premium. However, the accelerated payment will be less than the requested death benefit because it will be reduced by an actuarial discount and an administrative fee of up to $500. The amount of the discount is primarily dependent on American National's determination of the insured's life expectancy at the time of election. Outstanding policy loans will reduce the amount of the benefit payment. The accelerated death benefit is an unrestricted cash payment. The Chronic and Terminal Illness Riders are intended to receive favorable tax treatment under 101(g) of the IRC. Receipt of a benefit could be a taxable event. You should consult a tax advisor regarding the tax status of any benefit paid under these riders. Receipt of an accelerated benefit may affect your eligibility for Medicaid, supplemental security income, or other governmental benefits or entitlements. Before accelerating any benefit you should consult an advisor to determine the impact on your eligibility. Accelerated Benefit Riders are not replacements for Long Term Care Insurance. This is a life insurance benefit that also gives you the option to accelerate some or all of the death benefit in the event that you meet the criteria for a qualifying event described in the policy. This policy or certificate does not provide long-term care insurance subject to California long-term care insurance law. The policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement policy. Accelerated benefit riders ("ABR") and long-term care insurance ("LTCI") provide different types of benefits. An ABR allows the insured to access a portion of the life insurance policy's death benefit while living and may be used for any purpose. LTCI provides reimbursement for necessary care received due to the inability to perform activities of daily living or cognitive impairment. Coverage may include reimbursement for the cost of a nursing home, assisted living, home health care, homemaker services, adult day care, hospice services or respite care for the primary caretaker. The benefits may be conditioned on certain requirements or meeting an elimination period or limited by type of service, the number of days or a maximum dollar limit. Benefits under some ABRs and all LTCI are conditioned upon the insured not being able to perform two or more of the activities of daily living or being cognitively impaired. California: See form 10741-CM for a more detailed comparison of benefits provided by an ABR and LTCI.

New York Chronic Illness Rider: This product is a life insurance policy that accelerates the death benefit on account of chronic illness and is not a health insurance policy providing long term care insurance subject to the minimum requirements of New York law, does not qualify for the New York State Long Term Care Partnership program, and is not a Medicare supplement policy.

American National Insurance Company, headquartered in Galveston, Texas is licensed to conduct business in all states except New York. Business is conducted in New York by American National Life Insurance Company of New York, headquartered in Glenmont, New York. Each company has financial responsibility only for the products and services it issues.

AMERICAN NATIONAL INSURANCE COMPANY
AMERICAN NATIONAL LIFE INSURANCE COMPANY OF NEW YORK

IMG22366 | 09.23