



AGE MATTERS

TRANSAMERICA LIFE INSURANCE

PREMIUMS BASED ON TRUE AGE MAY MEAN LOWER COSTS FOR YOUR CLIENTS

There are many benefits to getting older. Term life insurance premiums are not one of them. In fact, generally the older your clients are, the more expensive they are to insure, raising the annual premiums they pay.

Many insurance companies write life insurance policies using the “Age Nearest Birthday Method,” meaning, the age your client will be closest to when the policy is written. That could put them at a year older than they are, and therefore increase the premium paid over the life of the policy.

At Transamerica, our current individual life products are priced using the “Age Last Birthday Method,” based on their actual current age, no rounding up or down.

You already know to talk to clients about benefits of getting coverage at a younger age. Now let them know how the Age Last Birthday method may be beneficial to them when they buy insurance before their birthday, instead of before their “half birthday!”

HOW IT WORKS:

A policy for a female, standard risk, 30-year term insurance with a face value of \$1,000,000



Jane is a 45-year-old woman in relatively good health. She wants to take out a life insurance policy to help financially protect her two daughters if something should happen to her.



A *Trendsetter Super*[®] policy from Transamerica written at Jane’s current age of 45, the age of her last birthday, would have an annual premium of **\$2,620** per year.

An insurance policy written by an Age Nearest carrier, within a couple of months of her birthday, is based on her being 46. It would raise the annual premium to **\$2,769**.

▶ That’s an extra **\$149** that she would be paying per year — translating to as much as **\$4,470** over the life of the policy.

Source: Compulife. Information believed to be accurate as of September 25, 2019.

For Agent Use Only. Not for Use With the Public.



TRANSAMERICA[®]

AGE NEAREST IMPLICATIONS

Many carriers use the “Age Nearest Birthday Method” (see below). In addition to the extra cost to clients over the life of the policy, there are other facts to keep in mind.

- For six months of the year, some carriers round up to the older age.
- Agents may have awkward conversations with clients about why insured age is older than actual age.
- This is not only confusing for clients at policy issue, but also when it comes to conversion privileges and dates surrounding end of level term period if they choose to continue their policy.

“AGE NEAREST” CARRIERS (NOT ALL INCLUSIVE)

- American General Life Insurance Company
- American National Insurance Company
- Ameritas Life Insurance Corp
- AXA Equitable Life Insurance Company
- Banner Life Insurance Company
- Lincoln National Life Insurance Company
- Midland National Life Insurance Company
- North American Co for Life and Health
- Pacific Life Insurance Company
- Penn Mutual Life Insurance Company
- Principal National Life Insurance Co
- Protective Life Insurance Company

Take action

Consider Transamerica for all clients seeking insurance within six months of their next birthday. For more information contact your Transamerica sales desk or visit [transamerica.com](https://www.transamerica.com).

Trendsetter® LB is a term life insurance policy issued by Transamerica Life Insurance Company, Cedar Rapids, IA. Policy Forms ICC16 TL23 or TL23. **Premiums increase annually beginning in year 11 for the 10-year policy, in year 16 for the 15-year policy, in year 21 for the 20-year policy, in year 26 for the 25-year policy, and in year 31 for the 30-year policy.** This policy is not available in New York. *Trendsetter® Super* is a term life insurance policy issued by Transamerica Life Insurance Company, Cedar Rapids, IA. Policy Forms ICC17 TL24 or TL24, or in New York, issued by Transamerica Financial Life Insurance Company, Harrison, NY. Policy Forms 3-322 38-111, 3-306 38-111, 3-305 38-111, 3-304 38-111, 3-303 38-111, or 3-334 38-111. **Premiums increase beginning in year 11 for the 10-year policy, in year 16 for the 15-year policy, in year 21 for the 20-year policy, in year 26 for the 25-year policy, and in year 31 for the 30-year policy.** Policy forms and numbers may vary, and these policies and their riders may not be available in all jurisdictions. Insurance eligibility and premiums are subject to underwriting. In most states, in the event of suicide during the first two policy years, death benefits are limited only to the return of premiums paid.

This comparison is not a comprehensive analysis and does not account for possible advantages or disadvantages of the policies compared. Competitors' information have been obtained from publicly available sources and are believed to be accurate as of September 25, 2019.

For Agent Use Only. Not for Use With the Public.