

TERM TO PERM

TRENDSETTER TERM CONVERSIONS



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Life changes.
The term conversion option gives
clients the flexibility to keep up.



TERM CONVERSION

VALUABLE FOR CLIENTS

- Acceptance is guaranteed
- No underwriting or exams required
- Lock in lower premiums
- More time to accumulate cash value

* Financial Foundation Indexed Universal Life is available for conversion within the first five years

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TERM CONVERSION

EASIER FOR YOU

- Full or partial conversions
- Fast case placement and no underwriting
- Expanded product and features available within first five policy years
- Strong commissions

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A vertical photograph on the left side of the slide shows a man and a woman smiling and looking at each other. The man is wearing a grey t-shirt and a dark jacket, and the woman is wearing a dark blue top. They are outdoors with trees in the background.

WHY CLIENTS SHOULD CONSIDER A CONVERSION

FITS WITH CLIENT'S CURRENT LIFE STAGE

- Have a need for permanent protection
- Can now afford a permanent policy
- Convert some or all

GUARANTEED CONVERSION

- No underwriting required
- Allowed within conversion period regardless of changes in health
- Guaranteed permanent protection with *Transamerica Lifetime*SM whole life

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WHY CLIENTS SHOULD CONSIDER A CONVERSION

BUILD SAVINGS

- Build tax-deferred cash value
- Term has no cash value

ESTATE PLANNING

- Tax-efficient wealth transfer
- Maximize their legacy for the next generation

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CONVERSION OPTION SUMMARY

Trendsetter® LB* Trendsetter® Super²	Conversions Within the First Five Policy Years		Conversions at Any Time (within the contractual conversion period)	
	Fully Underwritten Term Policies	Nonmedical Term Policies	Fully Underwritten Term Policies	Nonmedical Term Policies
	<ul style="list-style-type: none"> ▪ <i>Transamerica Lifetime^{SM 1,2}</i> ▪ <i>Transamerica Financial Foundation IUL®</i> (Transamerica FFIUL)² 	<ul style="list-style-type: none"> ▪ <i>Transamerica Lifetime^{1,2}</i> ▪ <i>Transamerica Financial Foundation IUL</i> (Transamerica FFIUL)² 	<ul style="list-style-type: none"> ▪ <i>Transamerica Lifetime</i> 	<ul style="list-style-type: none"> ▪ <i>Transamerica Lifetime</i>

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FlexTerm 7 ³	Conversions Within the First Five Policy Years		Conversions at Any Time (within the contractual conversion period)	
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CONVERSION WITHIN FIRST 5 YEARS

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CASE STUDY: BUSINESS OWNER

Client:

Alex, age 39, married with kids

Life stage:

Accumulation stage (business owner)

Existing term coverage:

Purchased \$1,000,000 30-year *Trendsetter LB* at issued age 37, preferred non-smoker

Partial conversion*:

Convert \$250,000 to FFIUL with living benefits and Concierge Planning Rider at Preferred Plus risk class planning to pay premiums to age 67. Kept remaining \$750,000 term coverage on *Trendsetter LB*.

*Face amount of the partial conversion must meet minimum face amount for original risk class.
Partial conversion not available if the policy has waiver of premium rider.

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CONVERSION WITHIN FIRST 5 YEARS

- Monthly deductions and policy charges on new permanent policy are lower at younger ages
- Allows the opportunity to build cash value over time
- Converting within the first 5 years provides additional product options and choice
 - Retain living benefits on *Trendsetter LB*
 - Choice of *Transamerica Lifetime* whole life or *Financial Foundation IUL® (FFIUL)*
 - Issued at fully underwritten risk class without need for underwriting
 - Limited pay options (10 year, 20 year and 30 year) on *Transamerica Lifetime* whole life
 - Concierge Planning Rider included on FFIUL policies of \$250,000 or higher

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CONVERSION WITHIN FIRST 5 YEARS

Policies were issued within the last 5 years (from the date of issue to the date of the conversion application submission)

- Were *NOT* rated worse than a Table D
- Maximum face amount of \$2 million per life (not per policy)
- Was not issued under the Top Program
- Minimum face amount for term policies to convert to fully underwritten risk class is \$25,000
- Minimum face amount of \$25,000 required to retain Terminal Illness Rider on *Trendsetter® Super Series*

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CONVERSION WITHIN FIRST 5 YEARS

If face amount is greater than \$2 million

- Can do a partial conversion during 5-year rule
 - Partial conversion must meet minimum face amount for original risk class. If amount left on term policy does not qualify for the original term policy's risk class, that amount will be forfeited.
 - Partial conversion not eligible if policy has Waiver of Premium Rider. Insured would have to surrender any remaining amount that isn't converted.
- Amounts over \$2 million eligible to convert to conversion risk class of *Transamerica Lifetime*

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PRODUCT LIMITATIONS WITHIN FIRST 5 YEARS

Trendsetter LB handled under the nonmed rules

Maximum face amount that can be converted to an FFIUL is \$99,999

Why:

That amount is the FFIUL maximum nonmedical face amount
age limits apply based on Underwriting Guide.

TRANSAMERICA FINANCIAL FOUNDATION IUL®
TFLIC FINANCIAL FOUNDATION IUL®

FACE AMOUNT	ISSUE AGE							
	0-17	18-40	41-50	51-60	61-70	71-75	76-80	81-85
\$25,000 - \$50,000	Non-med MVR	Non-med	Non-med	Non-med	Paramed BCP HOS	Paramed BCP HOS MVR	Paramed BCP HOS MVR	Medical BCP HOS ECG MVR
\$50,001 - \$75,000	Non-med MVR	Non-med	Non-med	Non-med	Paramed BCP HOS	Paramed BCP HOS MVR	Paramed BCP HOS MVR	Medical BCP HOS ECG MVR
\$75,001 - \$99,999	Non-med MVR	Non-med	Non-med	Paramed BCP HOS	Paramed BCP HOS	Paramed BCP HOS MVR	Paramed BCP HOS MVR	Medical BCP HOS ECG MVR

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PRODUCT LIMITATIONS WITHIN FIRST 5 YEARS

Term remaining face amount:

- If is at least \$25,000 can remain in the *Trendsetter LB*, in force illustration can be requested to determine premium on remaining face amount
- Client can also opt to cancel remaining term amount
- Can convert the remaining *Trendsetter LB* face amount to the conversion risk class of *Transamerica Lifetime* whole life

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A man with dark hair and a light beard, wearing a grey sweater over a white collared shirt, is looking down at a laptop screen. The laptop is white and partially visible at the bottom of the frame.

PRODUCT LIMITATIONS WITHIN FIRST 5 YEARS

Trendsetter Super

- Cannot convert to FFIUL and add the critical and chronic riders
- Must do a new application to get the FFIUL with LB riders

Internal Replacement rules will apply

Must submit the following:

- Application for new product
- Must include all state required forms for the basic application
- Withdrawal Surrender form
- Replacement forms if required by state
- Question on form asking if client is financing the new policy must be answered yes or R (for replacement)

CONVERSION AFTER FIRST 5 YEARS

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CASE STUDY: PRE-RETIREE

Client:

Abby age 55, married empty nester

Life stage:

Pre-retiree

Existing term coverage:

Purchased \$125,000 20-year term at age 36 at Standard, Non-Smoker rates

Conversion:

Converted entire \$125,000 policy to *Transamerica Lifetime* whole life at conversion (CNV) Nontobacco rates paying guaranteed lifetime annual premium



CONVERSION AFTER FIRST 5 YEARS

- Retain living benefits on *Trendsetter LB*
- Converts to *Transamerica Lifetime* whole life
- Issued at conversion risk class

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COMBINING MORE THAN ONE TERM PERMANENT POLICY



Multiple term policies may be converted into one permanent policy

- New face amount must not be greater than the combined face amounts of the original policies
- Insured on all policies must be the same
- All existing contracts must be within own contractual conversion periods

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WHAT IS NOT A CONVERSION?

Policy changes that are not conversions:

- Change of insured
- Increase in face amount
- Rate class change
- New riders

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CONVERSION OPTIONS BY RIDER

Child Insurance Rider* (Trendsetter LB, Super and FlexTerm 7 Policies)	Conversions Within the First Five Policy Years		Conversions at Any Time (within the contractual conversion period)	
	Fully Underwritten Term Policies	Nonmedical Term Policies	Fully Underwritten Term Policies	Nonmedical Term Policies
	▪ <i>Transamerica Lifetime</i>	▪ <i>Transamerica Lifetime</i>	▪ <i>Transamerica Lifetime</i>	▪ <i>Transamerica Lifetime</i>

* Juveniles converting from a child rider to *Transamerica Lifetime*™ will get CNV Juvenile risk class. For children over the age of 18 converting from a juvenile risk class will convert to CNV Tobacco for *Transamerica Lifetime*™.

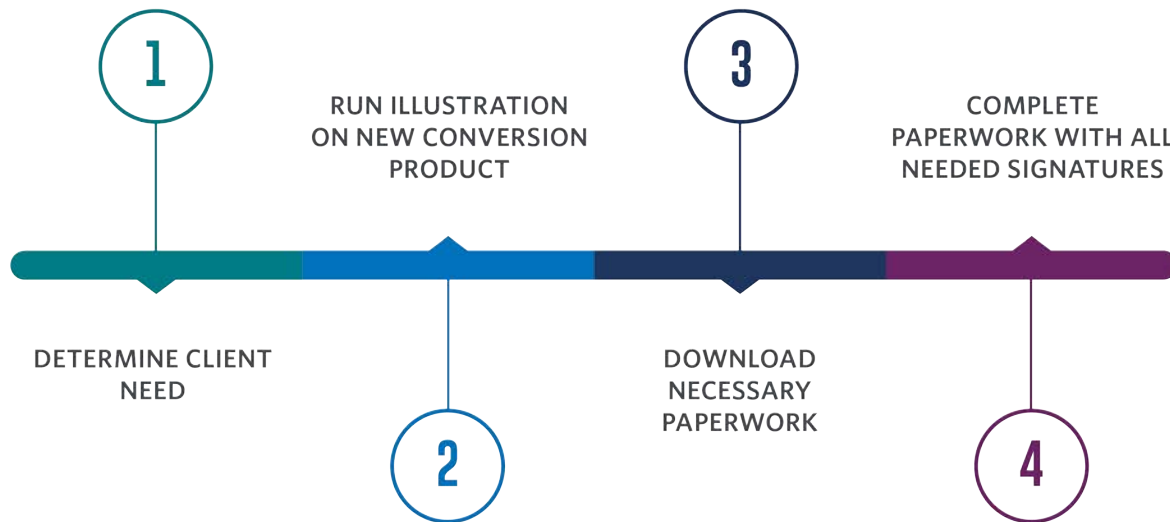
Additional Insured Rider Base Insured Rider Other Insured Rider Primary Insured Rider Term Insurance Rider	Conversions Within the First Five Policy Years		Conversions at Any Time (within the contractual conversion period)	
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RISK CLASS COMPARISON

Current Risk Class of Term Policy ⁵	Risk Class of Converted Product Within the First Five Policy Years		Risk Class of Converted Product Anytime
	<i>Transamerica Lifetime</i>	<i>Transamerica FFIUL</i>	<i>Transamerica Lifetime</i>
Preferred Elite	Preferred Elite	Preferred Elite	CNV Preferred Elite
Preferred Plus ⁶	Preferred Elite	Preferred Elite	CNV Preferred Elite
Premier	N/A	N/A	CNV Preferred Elite
Preferred Choice	Preferred Plus	Preferred Plus	CNV Preferred Plus
Preferred	Preferred Nontobacco	Preferred Nontobacco	CNV Preferred Nontobacco
Preferred Nonsmoker	Preferred Plus	Preferred Plus	CNV Preferred Plus
Preferred Nontobacco	Preferred Nontobacco	Preferred Nontobacco	CNV Preferred Nontobacco
Preferred Smoker	Preferred Tobacco	Preferred Tobacco	CNV Preferred Tobacco
Preferred Tobacco	Preferred Tobacco	Preferred Tobacco	CNV Preferred Tobacco
Standard Nonsmoker	Nontobacco	Nontobacco	CNV Nontobacco
Standard Smoker	Tobacco	Tobacco	CNV Tobacco
Standard Plus	Preferred Nontobacco	Preferred Nontobacco	CNV Preferred Nontobacco
Standard Express Nonsmoker	Nontobacco w/Table D	Nontobacco w/Table D	CNV Nontobacco w/Table D
Standard Express Smoker	Tobacco w/Table D	Tobacco w/Table D	CNV Tobacco w/Table D

HOW TO SUBMIT BUSINESS

To help avoid delays and ensure cases are processed as quickly as possible, please keep this information in mind.





COMMISSIONABLE PREMIUMS

Year 1

Full compensation on increase in commissionable target premium

Years 2+

Full compensation on renewals

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A woman with short grey hair and glasses, wearing a grey blazer and trousers, is shown in profile on the left side of the image. She is holding a white smartphone to her ear with her right hand and gesturing with her left hand. The background is a soft-focus outdoor scene.

SALES RESOURCES

- [Conversion flyer](#)
- [Conversion Prospecting Letter](#)
- FFIUL agent guide 118488R1
- FFIUL consumer brochure 131739R1
- FFIUL agent video 252481
- [Transamerica Lifetime Agent Guide](#)
- [Transamerica Lifetime Consumer Brochure](#)
- Transamerica Lifetime video 130920

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THANK YOU!

Find the flexibility to keep up with life.

Call: 855-288-4181

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