

The Transamerica Financial Life Insurance Company's Flexible Premium Adjustable Life Insurance (*WrapPlan*® II) is a NYSUT Member Benefits Trust (Member Benefits)-endorsed program. Member Benefits has an endorsement arrangement of 6.5% of first-year premium and 0.195% of renewal premium, with a guaranteed annual minimum amount of \$100,000 for this program. All such payments to Member Benefits are used solely to defray the costs of administering its various programs and, where appropriate, to enhance them. Member Benefits acts as your advocate; please contact Member Benefits at 800-626-8101 if you experience a problem with any endorsed program.

Agency fee payers to NYSUT are eligible to participate in NYSUT Member Benefits-endorsed programs.

Transamerica Financial Life Insurance Company
Home Office: Purchase, NY
Policy Form Numbers FPWRAPUL and FCWRAPUL

For more information on
WrapPlan® II
for NYSUT Members

please call USI Affinity, the
plan administrator, toll-free at:

(866) NYSUT-WP
(697-8897)

WrapPlan® II

Flexible Premium Adjustable Life Insurance



Endorsed by

MEMBER
BENEFITS
nysut
Working to Benefit You

 **TRANSAMERICA**
FINANCIAL LIFE INSURANCE COMPANY

Your family and financial obligations don't end at retirement...neither should your life insurance.



The combination of the Guaranteed Interest Rate and Excess Interest Rate is referred to as the Current Interest Rate.

Q: If I discontinue my term life insurance earlier than I originally anticipated, can I exercise my *WrapPlan II* guaranteed increase option at that time?

A: Yes. Regardless of the reason for early cancellation of the term coverage that you "wrapped," you may exercise the Guaranteed Increase Amount at that time. However, an earlier than planned increase under your *WrapPlan II* certificate may require an increased premium contribution. This information can be obtained by calling USI Affinity, the plan administrator, if you are contemplating a change.

Q: How much will the premium for my *WrapPlan II* be?

A: The cost of your policy depends on several factors including:

- 1) Your current age
- 2) The amount of term insurance you wish to wrap
- 3) How many years until your term insurance decreases or terminates
- 4) The number of years you wish to pay premium

30-Day Free-Look Period

When you receive your *WrapPlan® II* Certificate, you will have 30 days to review it. If you have any questions, you may call USI Affinity for clarification. If you decide you do not want the coverage, you may cancel by returning your Certificate to USI Affinity with *signed* instructions to cancel your policy. Any premiums collected will be refunded in full. The 30-day "free look" provision begins when you receive your Certificate, so it is important that you review your Certificate as soon as you receive it.

WrapPlan® II

Flexible Premium

Adjustable Life Insurance
(Universal Life Insurance)

accumulation value which you will receive should you decide to cancel your *WrapPlan II*. During the first seven certificate years the Accumulation Value is greater than the Net Cash Value; however, that difference decreases each year and at the end of the seventh certificate year, the Net Cash Value is equal to the full Accumulation Value. There are no surrender charges after seven years of plan coverage.

Q: If the amount of my term life insurance increases at a future date, can I also increase my *WrapPlan II* coverage?

A: Yes. Increases in coverage are available under *WrapPlan II* up to specified limits and subject to eligibility requirements.

Q: What happens if I leave my current employer?

A: You may continue *WrapPlan II* coverage with direct premium payments to the insurance company.

Q: Can I borrow against my certificate's cash value?

A: Yes. Certificate loans are available. A net interest rate of 2 percent is charged for loaned certificate values. The loan and interest thereon may be repaid in any amount of \$25.00 or more, at any time you wish. There is no requirement for loan repayment as long as the certificate's accumulation value is sufficient to cover premiums plus any interest that is due. Any outstanding loan plus interest due at the time of death will be deducted from the proceeds payable to the beneficiary.

Q: What is the method of determining interest crediting on accumulation values?

A: Interest is comprised of two parts:

- 1) Guaranteed Interest Rate, which is 4 percent lifetime, and
- 2) Excess Interest Tare, which is declared by Transamerica Financial Life Insurance Company, underwriter of the policy, based on the earnings experience of their general investment account. Current practice is for the company to maintain the initial interest for at least one year.

For more information, call the plan administrator, USI Affinity, toll-free at (866) NYSUT-WP

Many NYSUT members and spouses have term life insurance protection through NYSUT Member Benefits, through the member's employer or their local's benefit fund. Term life insurance is an economical way to provide financial security during your working years. However, this coverage may reduce or terminate at specified ages. In addition, employer-sponsored term policies usually terminate upon retirement.

People often assume that the need for life insurance will reduce upon retirement, but this is not always the case. There may be dependents to consider, final expenses or estate tax issues. By the time this continuing need is recognized, the only option available may be an expensive conversion of existing life insurance coverage.

WrapPlan® II Flexible Premium Adjustable Life Insurance, **underwritten by Transamerica Financial Life Insurance Company** (Home Office: Purchase, NY), is a sensible way to plan for the continuing need for life insurance, while taking advantage of existing term life insurance. This unique product allows you to purchase life insurance coverage that increases when your existing term life coverage decreases or terminates.

Up to \$300,000 of *WrapPlan® II* Coverage Available

Your initial *WrapPlan® II* coverage is referred to as the Immediate Personal Coverage (IPC), which must be at least 50 percent of the term amount you are "wrapping." The amount of additional coverage available when your term life coverage decreases or terminates is referred to as the Guaranteed Increase Amount (GIA).

The amount you may apply for is limited to the total amount of life insurance that you currently have under any and all term life insurance plans, or any portion thereof. The total maximum amount of *WrapPlan® II* coverage available is \$300,000. You will be required to answer a few eligibility questions.

No physical examinations and blood tests are not required.

WrapPlan® II for NYSUT Members
incorporates a number of features and benefits,
such as:

**Answers to some of the questions
you may have about
WrapPlan® II for NYSUT Members**

Waiver of Insurance Premiums for Total Disability Rider

Available to insureds who were age 55 or younger at the time of *WrapPlan II* application. This rider waives the cost of insurance charges while the insured is disabled. This benefit takes effect after the insured has been totally disabled for four consecutive months; once effective, the waiver is retroactive to the date the disability commenced. (Rider Form: FRDWMDNY)

Accelerated Death Benefit for Terminal Illness Rider

This provision allows insureds to access up to 50 percent of the *WrapPlan II* death benefit while still living, if they are diagnosed with a terminal illness. A terminal illness is defined as one that results in a life expectancy of 12 months or less. This benefit is 50 percent of the ultimate *WrapPlan II* face amount. Terminally ill insureds have the option of increasing the *WrapPlan II* face amount before exercising the accelerated benefits feature. To exercise the Terminal Illness Rider, the insured must contact Transamerica Financial Life Insurance Company. (Rider Form: FRABTINY)

The convenience of Payroll and Pension Deduction

If your local association has made arrangements for payroll deduction of NYSUT Member Benefits-endorsed programs, you may choose this convenient option for premium payment. Or, if you are retired, you most likely have the option of pension deduction available to you. With payroll and pension deduction, there are no checks to write or payment due dates to remember.

This is a brief summary of the features of WrapPlan II. Limitations and exclusions may apply. Refer to your certificate and riders for complete information.

**For more information, call the plan administrator,
USI Affinity, toll-free at (866) NYSUT-WP**

- Q: Which term life insurance coverage may I coordinate with *WrapPlan II*?**
A: You may use *WrapPlan II* in connection with any term life insurance you may have.
- Q: What are the eligibility requirements for *WrapPlan II*?**
A: You must be a NYSUT member or agency fee payer; you must be actively at work and age 65 or younger on your last birthday (or if you are retired, you must be age 65 or younger); and you must reside or work in the state of New York. Maximum retiree coverage is \$100,000.
- Q: Is *WrapPlan II* coverage available for my spouse/domestic partner?**
A: Yes. If your spouse is covered by a term life insurance policy provided by your local benefit fund, your employer or NYSUT Member Benefits, he or she may apply for up to \$300,000 of *WrapPlan II* coverage. If your spouse does not have term insurance, he or she may apply for up to \$50,000 of *WrapPlan II* coverage. Your spouse must answer a few medical questions to qualify for coverage. There are no medical exams or blood tests.
- Q: If I do not have any term life insurance, can I apply for the *WrapPlan II*?**
A: Yes! Level - benefit coverage is available up to \$300,000 for members who have no existing term life insurance. Medical questions will apply. Call USI Affinity for details.
- Q: Can I cover my children?**
A: Child coverage is available for \$5,000 or \$10,000 per child; for children 15 days old through age 25.
- Q: Is *WrapPlan II* coverage permanent?**
A: No. The *WrapPlan II* insurance benefit ends at age 95. Accumulated cash value, if any, will be returned to you following your 95th birthday.
- Q: What is the difference between the Accumulation Value and the Net Cash Value (Surrender Value)?**
A: The *WrapPlan II* Accumulation Value is the amount of cash in your certificate that is earning interest. The Net Cash Value is that portion of the