Introducing OPTerm 35 and 40



Legal & General America now has competitive options for affordable, longer duration coverage

Term Just Got Longer

Our guaranteed level OPTerm series now comes in durations of **10, 15, 20, 25, 30, 35 and 40** years! OPTerm 35 and 40 provide the same great pricing that you have come to know from Legal & General America. We're proud to be the only insurance carrier to offer guaranteed level term coverage for up to 40 years.

Market Need

Consumers are looking for more affordable options when it comes to protecting their financial futures through to retirement. **Current market products don't always meet customers' needs:**

Americans are living and working longer

- Americans are living longer than they did 20 years ago… the average American is expected to live 3 more years as of 2015 compared to 1995[1]
- Many Americans work past age 65 and continue to live a lifestyle based on income…66% of millennials plan to work past age 65 and 32% expect to work past age 70[2]

They still have debt beyond age 65

- Many Americans still have debt well beyond age 65
- For those age 65-74 who are carrying debt, the average amount is $108,700. Among those who have debt secured by their primary residence, the average debt is $130,700[3]

Coverage in later years can be costly

- People who continue to have a need past a typical 20 year term policy can choose to pay high post-level premiums or convert to a costly permanent product
- Older customers looking to buy a new term or permanent policy often face health issues which may affect eligibility or prevent them from being able to afford coverage

Limited options for budget-concious buyers

- Current term offerings generally provide only 10 to 30 years of protection
- Permanent products can provide lifetime protection but can be much more expensive compared to term insurance
- GUL can be dialed down to provide coverage between 30 years and lifetime but may not be ideally-suited for the client's needs

Customer Segments

OPTerm 35 and 40 can fulfill a basic protection need, while bringing many additional benefits:

- **Millennials** (20s - 30s): can provide financial protection into retirement and allow extra time to build a nest egg
- **Gen Xers** (Late 30s - 40s): longer duration term may provide life insurance coverage to age 85 at a much lower price compared to a Guaranteed Univeral Life (GUL) quoted to provide a similar length of protection*
- **Homeowners:** helps cover the mortgage for those who refinance or buy a new home later in life

For everyone else, OPTerm 35 and 40 provide the longest term coverage available in the market, at very competitive prices.

Riders

Clients can still choose to ladder their coverage for the longer term with 10, 15 or 20-year Term Riders. The Child Rider will also be available for OPTerm 35 and 40.

Availability

OPTerm 35 and 40 are available for new sales in all states except New York.

Issue Ages

OPTerm 35

- 20 – 50 all non tobacco classes
- 20 – 45 all tobacco classes

OPTerm 40

- 20 – 45 all non tobacco classes
- 20 – 40 all tobacco classes

Legal & General

Not valid without full disclosure

OPTerm 40

Comparison with GUL solved for similar length of coverage*

$500,000 Face Amount, Annual Premiums

		GUL 40-Year Premium Solve			Avg. GUL premium compared to OPTerm 40	GUL - Lifetime Coverage Annual Premiums		
Male	**OPTerm 40**	**GUL A**	**GUL B**	**GUL C**	**%**	**GUL A**	**GUL B**	**GUL C**
Age 35, PP	**$750**	$1,900	$2,002	$2,190	+271%	$2,854	$2,738	$3,038
Age 35, SP	**$1,198**	$2,820	$2,656	$2,828	+231%	$3,755	$3,288	$3,819
Age 40, PP	**$1,327**	$2,161	$2,484	$2,563	+181%	$3,190	$3,211	$3,477
Age 40, SP	**$1,796**	$3,400	$3,330	$3,473	+189%	$4,379	$4,013	$4,531
Age 45, PP	**$2,198**	$2,779	$3,055	$3,200	+137%	$3,910	$3,590	$4,260
Age 45, SP	**$2,717**	$4,131	$4,140	$4,300	+154%	$5,158	$4,614	$5,505

Premiums rounded to nearest dollar

1. 2016 CDC Report - Table 15: Life expectancy from 1900 to 2015
2. 2016 Manpower Group Report - Millennial Careers: 2020 Vision
3. Smartasset.com – The average debt by age (2018)

*Market leading GUL products based on 2017 LIMRA sales quoted for 40-years of coverage. Illustrations run as of October 26, 2018. OPTerm 40 is a term product that provides level term coverage for the initial term period. Premiums increase annually thereafter to age 95, at which time coverage ceases. Unlike GUL, OPTerm does not provide permanent coverage, flexible premium or potential cash value.

Legal & General America life insurance products are underwritten and issued by Banner Life Insurance Company, Urbana, Maryland and William Penn Life Insurance Company of New York, Valley Stream, NY. Banner products are distributed in 49 states and in DC. William Penn products are available exclusively in New York; Banner does not solicit business there. The Legal & General America companies are part of the worldwide Legal & General Group. OPTerm policy form # ICC18-OPTC and state variations. In New York, OPTerm policy form # OPTN-NY.

OPTerm premiums are guaranteed to stay level for the initial term period and increase annually thereafter. Premiums quoted include $60 annual policy fee. OPTerm does not provide permanent life insurance coverage. Premiums based on preferred plus non-tobacco and standard plus non-tobacco underwriting classes. OPTerm 30 rates are as of 10.08.18 while OPTerm 35 and 40 rates are as of 11.27.18. OPTerm 35 and 40 are not available in New York. Additional Insurance Riders, form #ICC11 AIR ((#AIR (1-11) in NY), can provide temporary life insurance coverage for 10, 15 or 20 years after which coverage ceases. Term Riders issue ages vary from base plan and coverage ceases at the end of the term duration. Children's Life Insurance Rider, form # ICC16-CLIR and state variations, can provide life insurance coverage on eligible children. The Children's Life Insurance Rider is not available in New York and is not available on base plans with Term Riders or in conjunction with A-List Term. Child Rider premiums are guaranteed to stay level. Two-year contestability and suicide provisions apply. Policy descriptions provided here are not a statement of contract. Please refer to the policy forms for full disclosure of all benefits and limitations. OPTerm 10, 15, 20, 25 and 30 rates as of 10.08.18. OPTerm 35 and 40 rates as of 11.27.18. OPTerm 35 and 40 are not available in New York.

The competitor pricing is based on information from Winflex Web or the individual carrier's illustration software and are believed to be current as of 11.27.18. However, its accuracy and completeness cannot be guaranteed. Data is subject to change at any time.

Competitor Guaranteed UL (GUL) products can provide flexible premium, lifetime coverage and potential for cash value. The flexible premium feature can allow premium solves for a certain number of years, all the way to lifetime premium solves. These products may have features, costs, provisions, and benefits that vary from one another. Changing the variable features (age, state, underwriting class, benefit period, etc.) may cause a change in the competitive results. Details by company illustrate age nearest birthday for preferred best nontobacco, standard plus or standard nontobacco underwriting class.

Premium comparisons are run on a 40 year solve using $500,000 death benefits solves. Guaranteed UL competitors products include: GUL A - American General Life Insurance Company / Secure Lifetime GUL (Form # 10460), GUL B - Symetra / UL-G 4.0 (ICC14_LC2), GUL C - Protective Life Insurance Company / Advantage Choice UL (Form # ICC12-U21 7-12),. Policy form numbers may vary by state. Insurance policies contain exclusions, limitations, reductions of benefits and terms for keeping them in force. A licensed financial professional can provide costs and complete details. This piece has been designed to provide general information in regard to the subject matter covered. It should be used with the understanding that we are not rendering legal, accounting or tax advice. Such services should be provided by the client's own advisors. Accordingly, any information in this document cannot be used by any taxpayer for purposes of avoiding penalties under the Internal Revenue Code. Securities and Insurance Products: Not Insured by FDIC or any federal government agency. Not a deposit of or guaranteed by any bank or bank affiliate. For producer use only. Not for public distribution. LAA1963 18-307