

HBW® presents

# Income Advantage Suite



Today, Tomorrow, Timeless

## American General Life Companies

Policies and annuities issued by:

**American General Life Insurance Company (AGL)**  
2727-A Allen Parkway, Houston, Texas 77019

**The United States Life Insurance Company in the City of New York (USL)**

70 Pine Street, New York, New York 10270

Income Advantage Term Policy Form Number 07007 (AGL) and 09007N (USL)  
Select Income Rider Form Number 08818 (AGL) and 08818N (USL)  
Flexible-premium Deferred Annuity Contract Number 07371 (AG Global 8 Index®) (AGL) and 07371N (USL)

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This guide is a general summary and is not intended to be a comprehensive analysis of the topic. Individuals should consult their tax and/or legal advisors concerning any questions they may have with regard to their specific situations.

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**The problem:**

**Dying too soon or living too long**

**The solution:**

**Income Advantage Suite<sup>SM</sup>**  
Term Life Insurance and Deferred Annuity



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**The United States Life Insurance Company in the City of New York**

# Income Advantage Suite<sup>SM</sup>

# A Powerful Combination

We believe there is no better financial tool than life insurance to protect your family in the event of premature death. Additionally, we believe managed income and savings add a level of comfort. If you die too soon, your family can rely on the guaranteed income component of the Income Advantage Term<sup>SM</sup>. However, if you live to retirement, you will also need income, potentially for a long time. An annuity offers tax-deferred growth\* during the accumulation phase and can guarantee income during the distribution phase. Income Advantage Suite combines the best features of both.

*\*Based on current federal income tax law.*

Let's look at some examples:

## Example 1:

Joe is 38 and Susie is 36, and they have two children, 9-year-old daughter and 5-year-old son. They have a \$280,000 mortgage and \$5,000 in credit card debt. Based on their monthly expenses, the family will require \$3,000 of income per month to maintain their desired standard of living after their debt is paid off. Joe and Susie each buy an Income Advantage Term insurance policy with a Select Income Rider (SIR). The term base policy will pay a lump sum of \$300,000 and the SIR rider will pay \$3,000 a month for 120 months (10 years) at the insured's death. If either Joe or Susie dies, the respective policy will pay both benefits, and the survivor need not worry about managing a large sum of money to generate \$3,000 of monthly income. Since they both contribute to 401(k) plans, they chose not to purchase an annuity.\*



## Example 2:

Bob is 45 and Helen is 43. Their normal living expenses include mortgage payment, car payment, food, clothes, utilities and gas. After expenses and contributions to employer-sponsored plans, enough money was left each month to afford a term life insurance policy, as well as \$300 each month earmarked for retirement savings. If they each purchase an Income Advantage Suite, they can ensure debt can be paid off if either of them dies prematurely, and the survivor will receive an on-going monthly income. Furthermore, if they survive to retirement, the \$300 a month they save in the index annuity will accumulate, on a tax deferred basis, an additional source of retirement income. In addition to tax-deferred growth, the annuity offers protection of principal.\*



## Example 3:

Tom and Sally are in their mid-40s, own a small service business, and have children ages 12 and 15 – so paying for college tuition is on their minds. Sally recently inherited \$20,000. They maintain their lifestyle by both working in the business. They know they need life insurance until retirement at age 65 and also want the flexibility to save more when funds are available, preferably in a tax-deferred plan. Using the Income Advantage Suite, they are able to address their life insurance needs, save on a regular basis and can contribute to the annuity and increase contributions as they are able.\*



## Needs Analysis

### Immediate Cash Needs (Lump Sum)

Final expense \_\_\_\_\_  
 Mortgage (if you choose not to pay it off) \_\_\_\_\_  
 Credit card debt \_\_\_\_\_  
 Emergency fund \_\_\_\_\_  
**Total immediate cash needs \$ \_\_\_\_\_**

### Monthly Income Needs

Groceries \_\_\_\_\_  
 Utilities (phone / electricity / gas / trash / sewer / water / Internet / cable) \_\_\_\_\_  
 Child(ren) expenses (school supplies, fees, / clothing / lessons / sports) \_\_\_\_\_  
 College savings \_\_\_\_\_  
 Property taxes \_\_\_\_\_  
 Insurance premiums (auto / life / health care) \_\_\_\_\_  
 Car payment(s) \_\_\_\_\_  
 Mortgage payment (if you choose not to pay it off) \_\_\_\_\_  
**Total monthly needs (after tax) \$ \_\_\_\_\_**  
**for \_\_\_\_\_ years**

### Retirement Savings (Qualified or Non-qualified)

Monthly contributions \$ \_\_\_\_\_

### Cash and Income Needs at Time of Death

Immediate cash needs = \$ \_\_\_\_\_ Lump sum  
 Monthly income needs = \$ \_\_\_\_\_ Monthly income needs \_\_\_\_\_ years

### Wealth Accumulation Need at Time of Retirement

Monthly contributions \$ \_\_\_\_\_

*\*Not an actual case; presented for illustrative purposes only.*