

# Path Protector Plus<sup>®</sup> Simplified Issue Whole Life Agent Product Guide



This guide is for agent use only and not intended for distribution to customers.





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## Welcome

Thank you for choosing Illinois Mutual as your life insurance carrier. As a service-driven business partner, Illinois Mutual can be an essential part of your long-term business success.

For more than 110 years, we have focused on delivering the best personal service to our policyowners and our agents with respect and integrity. Illinois Mutual helps people achieve and safeguard their financial security by providing competitive life insurance, disability income insurance (DI) and worksite insurance solutions. It is our pleasure to partner with you to help people honor the commitments they've made to protect those they care about most.

## Illinois Mutual Delivers

Illinois Mutual focuses on financial strength because it is essential to our customer commitments. We strive to not only assure that our products are competitive, but also to continue making advances in technology by providing online resources through our Agent Forum and company website to enhance your business capabilities.

At Illinois Mutual, we are always interested in understanding our agents better and offering the service and support you need to write more business. Contact our Life sales team today to see how we can help grow your business.

**(800) 437-7355, ext. 775 • [Sales@IllinoisMutual.com](mailto:Sales@IllinoisMutual.com)**

See what our agents and policyowners are saying about Illinois Mutual at [www.IllinoisMutual.com/AnnualReport](http://www.IllinoisMutual.com/AnnualReport).

# Target Markets for Simplified Issue Whole Life

- Prospects for this product are people, ages 45 to 85, who want to help ensure their surviving loved ones won't be financially burdened by their death.
- Simplified Issue Whole Life is meant to help beneficiaries pay for:
  - Funeral costs
  - Medical bills
  - Outstanding debts
  - Probate expenses
  - Any other final expenses
- They may be retirees or buying life insurance for the first time.
- Some prospects may already own some life insurance. These prospects sometimes have no dependents and/or a working spouse, so income replacement is not as necessary as final expense coverage.

## Advantages of Simplified Issue Whole Life:

- » Eases the financial burden on their loved ones after they pass away
- » Easier to qualify for than many other types of life insurance
- » Premiums are guaranteed to never increase
- » Death benefit is guaranteed to never decrease
- » Policy will remain in force as long as premiums are paid
- » Income tax-free death benefit<sup>1</sup>

<sup>1</sup>Life insurance benefits are generally includible in one's estate and, as such, may be subject to estate taxes. An accountant or attorney should be consulted regarding individual circumstances.

# Simplified Issue Whole Life Policy Details

## Issue Ages (Age Last Birthday):

45 to 85

## Amounts:

\$5,000 to \$50,000

## Payment Periods:

- Single Pay: A single premium is paid at time of issue.
- Continuous Pay: Premiums cease at the policy anniversary when the insured attains age 121.

## Underwriting Classes:

- Aggregate rates only
- No substandard issues

## Policy Fee

A \$36 policy fee is charged annually and included in premium.

## Payment Mode Factors

- Monthly Authorized Check/EFT 0.08334
- Quarterly 0.26
- Semi-annual 0.51
- Annual 1.00

## Nonforfeiture Options

- Extended Term
- Cash Surrender
- Reduced Paid-up (RPU) (FL only)

## Loans

Policy loans are available if the policy has accumulated sufficient loan value. Interest on policy loans accrues at an adjustable annual percentage rate determined in accordance with policy provisions and applicable law.



# About Policy Loans

Policy loans are allowed up to the cash value amount, less any outstanding prior unpaid loans, liens, and interest. Generally, there is insufficient loan value during the early policy years unless there is a 1035 exchange with sufficient transfer of funds. Loans reduce the policy's death benefit and are repaid with interest, which accrues at the rate established in the policy. Any unpaid interest is added to the outstanding loan balance and bears interest on the same terms as the loan.

If the policy is a modified endowment contract (MEC), then the loan proceeds may be immediately taxable and subject to a 10% penalty tax if the policyowner is not 59-1/2 or disabled. (See MEC information in this guide.)

*This notice is a general explanation of policy loans and is not intended to cover all situations. The terms of the policy will control. Illinois Mutual and its agents do not provide tax advice. We recommend that policyowners consult an accountant or attorney regarding their specific situation.*



## Modified Endowment Contracts (MEC) Information

Statements regarding tax-free loans and distributions apply to non-MEC policies. Loans and distributions from MECs are taxed on a last-in first-out (LIFO) basis; i.e., earnings are deemed distributed before premiums, and are subject to a 10% tax penalty if the policyowner is not 59-1/2, disabled or receiving payments in substantially equal installments over his/her life expectancy. Loans and distributions from non-MECs are not subject to the penalty tax and are generally tax-free since the proceeds are taxed on a first-in first-out (FIFO) basis (premiums deemed distributed before earnings).

Taxation of death benefits, however, is the same for MECs and non-MECs. With both, the beneficiary generally receives the death benefit tax-free while the estate may have some taxation. If policy loans or distributions are not anticipated, a MEC may offer more opportunity for increase in cash value while still providing the tax advantages of the death proceeds. This is an important decision in choosing coverage since once a MEC, always a MEC. In limited situations, MEC status may be removed if the policyowner requests and receives a refund of the excess premium within IRS time frames.

*This notice is a general explanation of MECs and is not intended to cover all situations regarding MECs. In reading this notice, please be advised that neither Illinois Mutual nor its agents provide tax advice. We recommend consulting an accountant or attorney regarding each situation.*

# Tools to Help You Sell

## Register for the Agent Forum

The Agent Forum is open to all agents licensed with Illinois Mutual, or those who have had contact with the Home Office but are not appointed. Sign up for the Agent Forum on our website at [www.IllinoisMutual.com](http://www.IllinoisMutual.com) by clicking on the "Agents" link and following the directions.

### In the Agent Forum, you can:

- Create customized illustrations.
- View a comprehensive snapshot of your business activity on your personalized dashboard.
- Grant administrative assistants the right to generate quotes, access client data and more.
- Access successful sales ideas, powerful marketing tools and more than 500 electronic forms that can help you increase your business.
- View case status and outstanding underwriting requirements any time of day.
- Check your commission statements and learn how you can earn even more.
- Review your clients' in force policies to ensure they are up-to-date with the products they need.

## Application Software

Use our application software to submit electronic applications over the web.

- Can automatically populate clients' information by pulling directly from the illustration if you choose to create one.
- Or, move straight into the application and immediately start calculating rates for your clients.
- Results in a faster underwriting decision by assisting you in submitting a fully completed application.
- Sign and submit electronically over the web once reviewed.

## Illustration Software Highlights

- Provides you with everything you need to sell our products.
- Runs on major web browsers through our web-based Agent Forum.
- Utilizes a modern, highly intuitive, tab-based user interface with interactive controls.
- Allows for synchronization of sales efforts.
- Include others you work with as users of the software.

## 5G QUOTE®

- Use your iPhone® or Android™-based smartphone with Internet connectivity to run quotes and email them to your prospects anytime, anywhere.
- You can also add a 5G QUOTE® link to your website to allow visitors to run quotes. You'll receive notifications from us when they do, including their information and the quote they generated.

## Sales & Underwriting Teams

Our dedicated regional Life sales team is here to help you with every aspect of your life insurance sale. Contact the team for product or sales-related questions, proposals, forms and marketing materials. Our underwriters are just a phone call away, too. Contact the underwriter working on your pending case or call them to discuss a potential case.

**Contact us!**

**(800) 437-7355**

**Sales, ext. 775**

**[Sales@IllinoisMutual.com](mailto:Sales@IllinoisMutual.com)**

**Underwriting, ext. 810**

**[Underwriting@IllinoisMutual.com](mailto:Underwriting@IllinoisMutual.com)**



## Strength

A strong capital position backed  
by \$1.59 billion in assets.  
*As of 12/31/21*



## Stability

Serving policyowners for over  
110 years.



## Values

Family-operated business for  
five generations.



## Support

A mutual insurance company  
focused on the interests of  
our policyowners.



*Policy Form LWL18NI, Whole Life Insurance Policy; Policy Form LSPWL18NI, Single Premium Whole Life Insurance Policy*

*Not available in AK, DC, HI, MT or NY. Coverage and availability may vary in other states.*

*For policy costs and details of coverage, limitations, exclusions and terms, contact Illinois Mutual. If any discrepancies exist between this communication and the policy, the terms of the policy will control.*

*Illinois Mutual, its agents and representatives may not give legal or tax advice. An accountant or attorney should be consulted regarding individual circumstances.*

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