

Home Mortgage Series

# HMS100 CBO

Universal life insurance you can count on to help protect your family and mortgage.

**Client Brochure**

Policy Series 297



## *Your home may be your most valuable asset...*

Provide peace of mind when you and your family need it most.

Many families are forced to leave their home due to economic hardship caused by death, disability, or unemployment.

*If you died, would your family have enough money to help pay off the mortgage?*

*If you were unable to work for an extended period of time, would your family have enough money to pay the mortgage each month?*

*If you lost your job, would you still be able to afford your insurance premiums?*

HMS100 CBO is a universal life insurance product that may help you keep your home, if the unexpected happens.

**The Statistics:** No one likes to think about it, but the likelihood of someone dying before paying off a 30-year mortgage is:

|            |             |
|------------|-------------|
| At age 30: | 1 out of 10 |
| At age 35: | 1 out of 7  |
| At age 40: | 1 out of 4  |
| At age 45: | 1 out of 3  |
| At age 50: | 1 out of 2  |

Source: 2007 Commissioner's Standard Ordinary Table of Mortality (based on male, age last birthday)



Protecting your home for yourself and your family could be the wisest move you ever make. It is easy to do with HMS100 CBO, a product in the Home Mortgage Series portfolio. Universal life insurance helps protect your mortgage and your family from the financial devastation that can come with death, disability, or critical illness.

Home Mortgage Series was designed with you in mind...

- Affordable universal life insurance.
- Available in 30, 25, 20, and 15-year guaranteed premium periods.
- Provides money to your family in case of your death.
- No medical exams required. Just answer a few simple medical questions on the application.<sup>1</sup>
- Your HMS100 CBO policy is portable - your coverage remains the same, even if you move.
- Money passes to loved ones income tax free.
- Offers a wide variety of optional benefit riders.<sup>2</sup>
- Cash Back Option that guarantees 100% of base premiums are available to you at the end of the no-lapse guarantee period.<sup>3</sup>

<sup>1</sup>Issuance of policy may depend upon answers to medical questions.

<sup>2</sup>Riders are optional and available for an additional cost and may not be available in all states.

<sup>3</sup>HMS100 CBO builds a cash value which can be returned to you upon request, less any loans, if policy is terminated. Cash values grow at 1.5% annually after the guaranteed level premium period.



## **HMS100 CBO can help pay your mortgage at death.**

You select the amount of coverage you need and the period that most closely matches your mortgage. You have the option of selecting a 30, 25, 20, or 15-year no-lapse guarantee period. The death benefit remains level for the entire no-lapse guarantee period. In the event of your death, the benefit is paid directly to your beneficiaries. They can use the money to help pay off the mortgage or for any other financial needs.

## **Provides extra money if you become disabled.**

When you select the Disability Income Rider you may receive a monthly income up to \$2,000 for up to two years, in the event you become totally disabled. Money paid to you under this optional benefit rider can be used to help pay for your mortgage or other bills.

## **Provides cash when critically ill.**

Your need for additional cash may be great if you are diagnosed with a critical illness. Lost income and medical expenses could take a toll on your family budget. The optional Critical Illness Accelerated Benefit Rider may advance you up to 50% of the death benefit if you are diagnosed with a qualifying critical illness. Having access to this money could make an important difference in the quality of your life and the lives of your loved ones.

*Riders are optional and available for an additional cost and may not be available in all states.*



## **The Statistics:**

A 40-year-old man is 2.9 times more likely to suffer a long-term disability than to die before age 65.\*

Tipping points that put homeowners in foreclosure\*\*:  
32% experience a job loss  
25% experience a health crisis

\* Field Guide 2010; printed in the GenRe Disability Fact Book – 2010 Edition

\*\* Homeownership Preservation Foundation – data of 60,000 homeowners, 2008



## Receive your money back if you never use the coverage.

Hopefully, you will outlive your mortgage in good health. With HMS100 CBO, you have the benefit of life insurance protection while you need it, and the option to receive your money back when you may not need the coverage. At the end of the no-lapse guarantee period, your cash value will equal 100% of the premiums paid on the base policy, less any loans. You may request to terminate your coverage and receive 100% of the base premiums back.<sup>1</sup>

### Cash Back Option Example

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Joe is a 30-year-old man, non-smoker, who purchases \$150,000 HMS100 CBO policy with a 30-Year No-lapse Guarantee period.

- His annual premium payment is \$825.
- After 30 years, the cumulative premium paid is \$24,750.
- The guaranteed accumulation value at the end of the 30 year period is \$24,750.

If Joe chooses to terminate his coverage at the end of year 30, he is guaranteed to get 100% of his base premium returned (less any outstanding loans). This surrender must be requested within 30 days of the 30th anniversary date. If requested after this time, there is no guarantee of any cash surrender value.

<sup>1</sup>HMS100 CBO builds a cash value which can be returned to you upon request, less any loans, if policy is terminated. Cash values grow at 1.5% annually after the guaranteed level premium period.





## Valuable Additions Available

### **Protects Your Coverage if Unemployed or Disabled.**

When you select the Waiver of Monthly Specified Premium Rider, your monthly premiums may be waived if you become totally disabled. The Involuntary Unemployment Waiver of Premium Rider will be added automatically when the Waiver of Monthly Specified Premium Rider is selected. With this extra protection, your premiums may be waived and you can keep your valuable coverage during a total disability or a period of involuntary unemployment.

### **Spouse coverage**

You, like many Americans, may depend on your spouse's income to make the mortgage payment and provide resources for other expenses. The Additional Insured Term Insurance Rider adds coverage for your spouse in an amount equal to, or less than, the base face amount.

### **Coverage for your children**

The Children's Term Rider provides up to \$15,000 of additional insurance coverage for each child. Coverage is provided to age 25 and may then be converted into a new individual policy up to five times the initial rider amount.

HMS100 CBO is a term life insurance product that offers optional benefit riders to help provide you and your family with mortgage protection and a lot more. Your agent can show you how easy it is to apply.

- Additional Insured Term Insurance Rider (Rider Series 2160)
- Children's Term Rider (Rider Series 2162)
- Critical Illness Accelerated Benefit Rider (Rider Series 2139) – *not available with the Waiver of Monthly Specified Premium Rider*
- Disability Income Rider (Rider Series 2145)
- Waiver of Monthly Specified Premium Rider (Rider Series 2158-UL/2159-UL) – *not available with the Critical Illness Accelerated Benefit Rider*
- Involuntary Unemployment Waiver of Premium Rider (Rider Series 2140)

*Riders are optional and available for an additional cost and may not be available in all states.*





Americo Financial Life and  
Annuity Insurance Company  
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## About Americo

For over 100 years, Americo Life, Inc.'s family of insurance companies has been committed to providing the life insurance and annuity products you need to protect your mortgage, family, and future.<sup>1</sup> We listen to what you want from an insurance policy or annuity and do our best to provide a proper solution for your individual situation.

Innovative thinking has helped us build a strong financial foundation for our business. Americo Financial Life and Annuity Insurance Company (Americo) is a member of the Americo Life, Inc. family of companies. Americo Life, Inc., is one of the largest, independent, privately held insurance groups in the United States<sup>2</sup> with over 750,000 policies, over \$38 billion of life insurance in force, and \$6.0 billion in assets in force for year-end 2010.<sup>3</sup>

<sup>1</sup>Americo Life, Inc. is a holding company and is not responsible for the financial condition or contractual obligations of its affiliate insurance companies.

<sup>2</sup>Admitted Assets, Top Life Writers-2010, "A.M. Best Co., as of July 2010.

<sup>3</sup>Information is as of year end 2010 on a consolidated basis for Americo Financial Life and Annuity Insurance Company and the other life insurance subsidiaries of Americo Life, Inc., unless otherwise indicated. Information is prepared on the basis of generally accepted accounting principles (GAAP).

## Important Information

Americo Financial Life and Annuity Insurance Company is authorized to conduct business in the District of Columbia and all states except NY and VT.

Products are offered on a group or individual basis depending on the state and are underwritten by Americo Financial Life and Annuity Insurance Company (Americo), Kansas City, MO, and may vary in accordance with state laws. Some products and benefits may not be available in all states. Some riders are optional and available for an additional cost. Certain restrictions and variations apply. Consult policy and riders for all limitations and exclusions. For exact terms and conditions, please refer to the contract.

The company reserves the right to contest coverage for up to two years due to any misrepresentations in the application. If the insured, sane or insane, dies by suicide while the contract is in force and within two years (one year in Colorado, Missouri, and North Dakota) after the issue date, the proceeds payable will be limited to the sum of premiums paid, less any indebtedness. See Missouri contract for special provisions regarding suicide.

Neither Americo Financial Life and Annuity Insurance Company nor any agent representing Americo Financial Life and Annuity Insurance Company is authorized to give legal or tax advice. Please consult a qualified professional regarding the information and concepts contained in this material.