



West Coast Life Income Replacement TermSM Life Insurance

New & innovative term life insurance featuring:

- premium cost-savings
- payment stream death benefit
- basic needs income replacement
- simplicity, flexibility and affordability

Consumer Brochure



**West Coast Life
Insurance Company**
A PROTECTIVE COMPANY

WCLLC.1006 (05.09)

Policy Form WC-T16. Not available in all states.

Help Protect the Lives You Love

It's sometimes difficult to look beyond the financial pressures of today to adequately prepare for those that may face us tomorrow. There's certainly a lot to consider when assessing the financial impact death would have upon our loved ones. Without proper planning, however, survivors are often forced to make financial decisions which may have lasting effects on their lifestyle.

If you're like many Americans who have either considered or purchased life insurance, four factors invariably impact the decision:

- 1) the need for coverage
- 2) the cost of coverage
- 3) the duration of coverage
- 4) the amount of death benefit

Determining what role life insurance will play in your overall financial strategy is key. Perhaps you already have a life insurance policy with a lump-sum death benefit intended to satisfy immediate financial obligations, such as final expenses or a mortgage. Have you considered how your loved ones will pay for daily living expenses, such as gas, food and healthcare? If you have children, their continuing education costs may need to be accounted for, as well.

Perhaps you contribute to savings for a "rainy day" or for retirement or for both. Planning now may help your loved ones continue this periodic and ongoing practice of saving. You may even be able to help them start or grow their own retirement plans.

It's not just the life of the wage-earner that must be considered, though. Housekeeping, childcare and even care for the elderly may suddenly become an ongoing financial concern with the loss of a caregiver or homemaker.

There are many ways term life insurance can help you protect the lives you love.

Did you know?

56% of married parents believe their current life insurance coverage is inadequate.¹



What makes West Coast Life Income Replacement TermSM Life Insurance different?

A lump-sum death benefit payment from a traditional term life insurance policy may be adequate to meet immediate financial needs, but it may not cover periodic and recurring expenses. What if you could address your family's ongoing financial burden and realize cost-savings while doing it?

West Coast Life Income Replacement Term Life Insurance is a new and innovative version of traditional term life insurance that guarantees an income stream death benefit to designated beneficiaries when the insured dies before the policy end date.

The death benefit is paid in regularly scheduled installments for a certain number of years specified by you, the policy owner. You may even choose to include a supplemental lump-sum death benefit payment in addition to the stream of guaranteed payments.²

Because you choose the amount and duration of the death benefit payments, the **West Coast Life Income Replacement Term Life Insurance** policy provides maximum flexibility to address your intentions and concerns. It offers the opportunity for you to influence the future financial welfare and interests of your loved ones by allowing you to structure payments with them in mind.

Did you know?

66% of Americans purchase life insurance to replace income.³

¹ Source: LIMRA International's Facts About Life (2007)

² Optional riders are available at additional cost. All payments and all guarantees are subject to the claims paying ability of West Coast Life Insurance Company.

³ Source: LIMRA International's Finding New Customers, Who's Buying Individual Life and Why? (2005)



Policy Form

The Policy Form governs all benefits provided. Included is information regarding premium payments, rights of the beneficiary, charges, terms for renewal and other benefits, limitations or exclusions that may apply.

Policy Features

Affordability

West Coast Life Income Replacement Term Life Insurance is a cost-effective way to provide financial security. Its death benefit is designed to help cover the immediate and ongoing daily expenses of beneficiaries. There is no cash-value accumulation or investment component. You only pay for the coverage amount needed. During the initial premium period chosen, you'll realize premium cost-savings over traditional term life insurance, providing the coverage you need more affordably or allowing you to buy more coverage for the same cost as a traditional term policy.⁵

Choice

West Coast Life Income Replacement Term Life Insurance offers you several options for customizing your policy. Level premium periods include 10, 15, 20, 25 and 30 years with death benefit amounts of \$100,000 or more.

Death Benefit*

Unlike traditional term life insurance, which pays a lump-sum death benefit, **West Coast Life Income Replacement Term Life Insurance** pays a guaranteed income stream death benefit for a certain number of years when the insured dies before the policy end date. The policy owner selects the amount and duration of these payments at the time of application. The first payment is payable at the time of death along with any lump-sum death benefit provided for by the optional rider.⁶

Death benefit payment periods range from 5 to 30 years, and the frequency of these payments may be monthly (electronic funds transfer only) or annually. Your beneficiary may have the option to commute the remainder of the death benefit income payments. Please note the death benefit is subject to the claims paying ability of West Coast Life.

* Neither West Coast Life Insurance Company nor its representatives offer legal or tax advice. The tax treatment of life insurance is subject to change. A portion of each annual payment will be reported as taxable income to the beneficiary based on our understanding of current Federal income tax law. We suggest that you consult your legal or tax advisor before making any tax-related decisions.

Conversion Option⁷

West Coast Life Income Replacement Term Life Insurance policy allows for conversion (a later change of plan) to a Company-designated life insurance policy during a pre-determined conversion period without additional underwriting. A **West Coast Life Income Replacement Term Life Insurance** policy must be converted prior to the insured's age 75 and the expiry date of the term conversion period.

Policy Coverage	Term Conversion Period
10-year	10 policy years
15-year	15 policy years
20-year	20 policy years
25-year	20 policy years
30-year	20 policy years

The conversion is subject to the terms of the policy. The new policy will be issued at the insured's attained age and with a risk classification that most closely corresponds to the risk classification of the original policy. Premiums for the original policy must be paid to the date of conversion, and the premiums for the original policy and the conversion policy may differ.

Customize Your Policy with Riders

West Coast Life Income Replacement Term Life Insurance is designed for maximum flexibility. You may want to consider additional benefits to meet your unique financial needs.⁶

Term Life Insurance Rider (WC-621)

This rider allows for a single lump-sum to be paid at the time of death to help provide an initial financial cushion and will generally be received free from income taxes. The initial level premium period of this rider must match that of the base policy, and the face amount cannot exceed five times that of the base policy. A lump-sum death benefit is typically intended to settle immediate financial obligations, such as final expenses or a mortgage.

Waiver of Premium Rider (WC-509V2)

This rider allows for premium payments to be waived after six consecutive months of total disability and continues for the duration of the total disability.

⁵ Premium increases after the initial premium period selected.

⁶ Actual terms and conditions contained in each rider govern all benefits provided. Optional riders are available at additional cost. Assumes medical and financial underwriting qualifications at time of initial application. Not available in all states.

⁷ Consult policy for complete benefits, exclusions and limitations. Not available in all states.

Case Study #1: Guaranteed Income Stream Death Benefit

Profile:

- Jason Roberts, age 40, risk class: Standard NonTobacco
- Jason is a carpenter with plans to retire in 20 years
- Pamela, his wife, is a homemaker with plans to start a home-based small business
- Jason and Pamela have one son, Joey, attending college

Chief Concerns upon Jason's Death:

1. Exhausting his whole life lump-sum death benefit on the mortgage, car loans and tuition
2. Compromising retirement savings to cover daily expenses (e.g., gas, food, healthcare)
3. Time and resources for Pamela to start her small business
4. Passing on any remaining death benefit to their son should Pamela die

Proposed Solution:

After consulting with his financial advisor, Jason elects a **West Coast Life Income Replacement Term Life Insurance** policy with a 20-year level premium period and a 10-year death benefit period paying \$50,000 annually.

Premium Savings Compared to a Traditional Term Policy

	West Coast Life Income Replacement Term	West Coast Life Focus Term
Risk Class	Male, 40, Standard NonTobacco	Male, 40, Standard NonTobacco
Level Premium Period	20 years	20 years
Death Benefit	\$500,000 payout over 10 years	\$500,000 payout lump-sum
Payout Discount Factor*	15%	not available
Annual Premium*	\$623.75	\$745.00
Annual Savings	\$121.25	

*Effective as of 06/09

Needs Met:

If Jason dies before the policy end date, Pamela will receive a death benefit payment of \$50,000 per year for 10 years, of which \$7,500 will be annually reported as taxable income.⁹ This will help cover daily expenses in the years immediately following Jason's death and provide time and flexibility to get her small business up and running. By naming their son as a contingent beneficiary, he will receive any remaining death benefit should Pamela die during the payout period. This policy will also help preserve their retirement savings, ensuring these funds are used as intended.

Case Study #2: Lump-sum Payment with a Guaranteed Income Stream Death Benefit

Profile:

- Judith Coleman, age 45, risk class: Preferred NonTobacco
- Judith is a store manager with plans to retire in 20 years
- Michael, her husband, is a restaurant cook
- They have two children in grade school

Chief Concerns upon Judith's Death:

1. Household budget mismanagement
2. The effect of lost income on the surviving family's daily living standard
3. Compromising retirement savings to reduce long-term financial obligations (e.g., mortgage, credit card debt)
4. Funding college for their children

Proposed Solution:

After consulting with her financial advisor, Judith elects a **West Coast Life Income Replacement Term Life Insurance** policy with a 20-year level premium period and a 20-year death benefit period paying \$25,000 annually. She also elects a \$500,000 lump-sum payment.

Premium Savings Compared to a Traditional Term Policy

	West Coast Life Income Replacement Term	West Coast Life Focus Term
Risk Class	Female, 45, Preferred NonTobacco	Female, 45, Preferred NonTobacco
Level Premium Period	20 years	20 years
Death Benefit	\$500,000 payout over 20 years \$500,000 payout lump-sum	\$1 million payout lump-sum
Payout Discount Factor*	30%	not available
Annual Premium*	\$985.00	\$1,250.00
Annual Savings	\$265.00	

*Effective as of 06/09

Needs Met:

If Judith dies before the policy end date, Michael will receive a death benefit payment of \$25,000 per year for 20 years, of which \$7,500 will be annually reported as taxable income.⁹ This will help cover daily expenses in the years immediately following Judith's death. The one-time \$500,000 lump-sum death benefit payment will help satisfy immediate financial obligations and provide funds for their children's continuing education.¹⁰ By naming their children as contingent beneficiaries, they will receive any remaining death benefit should Michael die during the payout period. This policy will also help preserve their retirement savings, ensuring these funds are used as intended.

⁹ Neither West Coast Life Insurance Company nor its representatives offer legal or tax advice. The tax treatment of life insurance is subject to change. A portion of each annual payment will be reported as taxable income to the beneficiary based on our understanding of current Federal income tax law. We suggest that you consult your legal or tax advisor before making any tax-related decisions.

¹⁰ Optional riders are available at additional cost.

About West Coast Life

Representing a century of service to the insurance industry, West Coast Life boasts a colorful history of growth and industry “firsts.”

West Coast Life was founded April 2, 1906, in San Francisco, just 16 days before the city’s devastating earthquake and fire. As an indication of the company’s enterprising spirit, West Coast Life was the first company to offer a loan to the city for reconstruction. Within a short period of time, West Coast Life began to grow and pioneered many “firsts” within the life insurance industry.

- The first American life insurance company in Hawaii
- The first American life insurance company in the Philippines and in China
- The first to issue an unemployment compensation disability policy in America
- The first to issue a group policy west of the Mississippi
- The first to underwrite association business in the United States
- The first to provide an automatic premium loan provision in a life insurance policy
- And, the first to use the Check-O-Matic concept, the name of which we gave to the rest of the industry (at the request of LIAMA, now known as LIMRA).*

* West Coast Life company archives.

Policy form WC-T16 and state variations thereof, is a term life insurance policy issued by West Coast Life Insurance Company, 2801 Highway 280 South, Birmingham, AL 35223. Product features and availability may vary by state. Consult policy for benefits, riders, limitations and exclusions. Subject to underwriting. Subject to up to a two-year contestable and suicide period. Benefits adjusted for misstatements of age or sex. In Montana, unisex rates apply.

All payments and all guarantees are subject to the claims paying ability of West Coast Life Insurance Company.

Not a Deposit	No Bank Guarantee	Not FDIC Insured
Not Insured By Any Federal Government Agency		



INSURANCE MARKETPLACE
STANDARDS ASSOCIATION

www.westcoastlife.com



West Coast Life
Insurance Company
A PROTECTIVE COMPANY

WCLLC.1006 (05.09)

Policy Form WC-T16. Not available in all states.