



UNIVERSAL LIFE

TRANSACE SURVIVOR®

From Transamerica Life Insurance Company



Product Guide



Transamerica Life Insurance Company

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TransACE Survivor® is a nonparticipating, flexible premium joint universal life insurance policy issued by Transamerica Life Insurance Company, Cedar Rapids, IA 52499. Policy Form No. 1-12111108, (CVAT) Group Certificate No. 2-72136108 (CVAT) for certificates issued under a group policy issued to the Rhode Island National Consumer Protection Trust. Policy form and number may vary and this policy may not be available in all jurisdictions.



TransACE Survivor® Quick Facts

Issue Ages

Select Risk Class with Level or Plus-Premium Death Benefit Option	16–69 years (age nearest birthday)
All Other Risk Classes with Level Death Benefit Option	16–85 years (age nearest birthday) (older joint insured up to age 89)
All Other Risk Classes with Plus-Premium Death Benefit Option	16–80 years (age nearest birthday)
Estate Protection Rider	16–80 years

Exact Age	Age nearest birthday of the younger insured
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Minimum Face Amount

Base Coverage	\$250,000
Estate Protection Rider	\$25,000

Maximum Issue Amount

Base Policy	Limited to retention, up to \$10M
Estate Protection Rider	125% of Base Policy

Maturity Date	None
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Bands	Band 1: \$250,000–\$999,999 Band 2: \$1,000,000 and up
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Required Premium (RAP)	5 years
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Interest Rate	Current: Company-declared Guaranteed minimum: 4%
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Policy Threshold	A number calculated to determine a policy's eligibility for the guaranteed death benefit under the No-Lapse Guarantee Endorsement.
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Threshold Period	The span of time that the No-Lapse Endorsement is in effect from the policy issue date to the policy anniversary nearest exact age 111.
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Threshold Interest Rate	The interest rate used in the calculation formula to determine the Policy Threshold. For Level death benefit policies, the guaranteed Threshold Interest rate is 3.5% for issue ages 16–69; 3.0% for issue ages 70–79; and 2% for issue ages 80–89. For Plus-Premium death benefit policies, the guaranteed Threshold Interest Rate is 3.5% for issue ages 16–69; 3.0% for issue ages 70–80.
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Premium Qualification Credit (PQC)	This credit is equal to 2% of the RAP commitment and is added to the Accumulation Value on each during the RAP period (years 1–5) if the RAP is received on or before the preceding policy year-end.
Death Benefit Option	Option L—Level Death Benefit Option R—Plus-Premium Death Benefit
Policy Fee	\$6 per month current policy fee for all policy years up to the policy anniversary nearest exact age 111; zero thereafter. The current rate is guaranteed for the first year only. The guaranteed maximum fee is \$10 per month thereafter.
Administrative Charge	9% of premium in all years to the policy anniversary nearest exact age 121.
Per Thousand Charge	Monthly per thousand charge is assessed for the first five policy years only.
Monthly Deduction (MD) Rates	Guaranteed MD rates are charged to the policy anniversary nearest exact age 121. Nonguaranteed MD rates are guaranteed for the first five policy years and are charged to the policy anniversary nearest exact age 111 and are zero thereafter.
Surrender Charges	Decreasing for 15 years.
Available Riders	Estate Protection Rider
Additional Features	▪ Accelerated Death Benefit (in approved states) ▪ Automatic Premium Loan ▪ Basic Policy Split Option (BPSO) ▪ Enhanced Surrender Value Endorsement ▪ Full Policy Surrender Penalty Waiver Endorsement (aka Honeymoon Provision) ▪ Guaranteed Policy Split Option (GPSO) ▪ Income Protection Option (IPO) ▪ No-Lapse Guarantee Endorsement ▪ Surrender Penalty Deferral Endorsement
Conversion	As a Company practice, we will allow insureds who have a conversion option in one of our term policies to choose TransACE Survivor as the new policy. Select Nonsmoker class is not available for conversion.



Compensation

First-year commissions are paid on the target premium, which is the lower of the following:

1. Maximum target premium, or
2. The policy owner's Required Premium ("RAP") commitment for the policy.

Renewal commissions are paid on all premiums received after the first 14 policy months and prior to the end of policy year 5. No compensation is paid on flat extras that do not exceed eight years.

Underwriting

TransACE Survivor is available for issue based on five risk classifications: Select Nonsmoker, Preferred Nonsmoker, Preferred Smoker, Standard Nonsmoker, and Standard Smoker. The Select risk class has the most competitive rates available only for qualifying nonsmokers for issue ages 16-69. No extra ratings of any kind are allowed on the Select Nonsmoker class. Aviation flat extras are allowed on all underwriting classes other than Select Nonsmoker. An aviation flat extra is the only extra rating that will be allowed on Preferred risk classes. Substandard table ratings and flat extras are only allowed on Standard Nonsmoker and Standard Smoker classes. The maximum substandard ratings allowed for issue ages 81 through 85 are Tables A–D. For issue ages 86 and above, table ratings are limited to "No" or Table U. TransACE Survivor may be issued with one uninsurable life. If the policy is issued with one insured as uninsurable, then if the joint insured is below age 80 the substandard table rating can be no higher than Table H; however, if the joint insured is age 80 or above (with a maximum age of 85), then the table rating can be no higher than Table D.

NO SUBSTANDARD RATINGS ARE ALLOWED ON THE SELECT NONSMOKER OR PREFERRED UNDERWRITING CLASSES.

Kind Codes

Kind Codes must appear on all submitted applications along with a copy of the illustration presented to the applicant. The illustration must accompany the application to ensure accurate Required Premium (RAP) allocation. See state specific rules regarding signature requirements and application supplements. Kind Codes appear on every computer illustration. Rider Kind Codes appear on the Rider page of the illustration. *Kind Codes to identify risk classifications such as Preferred, Standard, Smoker, or Nonsmoker do not apply.*

Kind Code	Death Benefit Option
2912	Level (Option L)
2913	Plus-Premium (Option R)

Kind Code	Rider
2053	Estate Protection Rider



Policy Description

About TransACE Survivor®

TransACE Survivor is a flexible premium, non-participating, joint and last survivor universal life insurance policy with a lifetime death benefit guarantee. TransACE Survivor insures two lives. **The death benefit is paid at the death of the surviving joint insured.** The premiums and the Monthly Deductions will not be reduced or increased at the death of the first joint insured.

TransACE Survivor has many uses and is a particularly helpful product for married couples who have an estate made up of fixed, nonliquid assets (like real estate) and want to provide funds, in the form of a death benefit, to pay estate taxes that may come due after the death of the surviving insured. TransACE Survivor is a Cash Value Accumulation Test product.

The exact age for the purposes of the policy is determined by the age nearest birthday of the younger joint insured. **There is no maturity date.** This means that the policy continues after the death of the first joint insured for the rest of the life of the surviving joint insured (provided the premiums are paid and the conditions of the policy continue to be met).

TransACE Survivor has Required Premiums (RAPs) in each of the first five policy years, the RAP period. The policy owner chooses a RAP within the ranges shown in the illustration software system. This becomes the RAP commitment. To avoid entering the Grace Period, the cumulative RAP commitment must be met as of each of the first five policy anniversaries. The RAP commitment is met if the total of the gross premiums paid minus the total of any refunds and partial surrenders is equal to the RAP times the number of complete policy years the policy has been in force. During the RAP period, a guaranteed bonus called the Premium Qualification Credit, which is 2% of the policy year's RAP, will be credited directly to the Accumulation Value at the beginning of the next policy year if the RAP commitment is met as of the policy anniversary. Premiums are flexible as long as the policy owner meets and maintains the cumulative RAP commitment as of each policy anniversary during the RAP period.

After the policy reaches the anniversary nearest exact age 111, the charges for the nonguaranteed Monthly Deductions and policy fees stop (guaranteed Monthly Deductions continue to the policy anniversary nearest exact age 121) and the policy continues subject to any policy loans. No further premium payments are accepted after age 121. The Accumulation Value will continue to accrue interest uninterrupted at the guaranteed minimum interest rate of 4%.

At the beginning of each policy month prior to the policy anniversary nearest exact age 111, the Company recalculates the net amount at risk (the difference between the death benefit and the Accumulation Value) and deducts the Monthly Deduction from the policy's Accumulation Value. The policy accrues interest daily at Company-declared rates on policy values and the Company credits it monthly, on the monthly anniversary.

No-Lapse Guarantee Endorsement (ACE)

An exciting feature of TransACE Survivor is the inclusion of an additional guarantee of the death benefit if certain policy requirements remain satisfied. The No-Lapse Guarantee Endorsement guarantees the death benefit in the event the cash value is insufficient to allow the policy to stay in force, provided the conditions of the endorsement continue to be met. The No-Lapse Guarantee Endorsement (or "ACE") alters the definition of when the policy enters the Grace Period. Without the endorsement, the policy usually enters the Grace Period as soon as there is insufficient cash value to keep the policy in force.



From the inception of the policy a number called the Policy Threshold is calculated to determine the policy's eligibility to guarantee the continuation of the death benefit during the Threshold Period. The Threshold Period is the span of time that the endorsement is in effect—from the policy date to the anniversary nearest exact age 111. (The Policy Threshold figures do not appear on illustrations, data pages, annual statements, or on Grace Period notices.)

If the policy cash value is no longer sufficient to continue the policy, but the Policy Threshold number minus any outstanding loans is not less than zero, then the policy will not enter the Grace Period. If the policy cash value is insufficient and the Policy Threshold minus any outstanding loans goes below zero, then the policy and the No-Lapse endorsement will enter the Grace Period.

Upon the Policy entering the Grace Period, we will give the policy owner 61 days to pay sufficient premium to keep the policy from lapsing. The No-Lapse endorsement, however, has a Grace Period of 31 days. ***If the policy owner wants to keep the No-Lapse Guarantee Endorsement from terminating, the owner has 31 days to pay additional premium or repay any outstanding loan to bring the Policy Threshold net of any outstanding policy loans up to zero (or more).*** The policy owner will be told of the amount that is needed to be paid by the end of the 31-day No-Lapse endorsement Grace Period in order to maintain the death benefit guarantee.

If the Policy Threshold net of any outstanding loans is not brought up to zero within the 31 days, the No-Lapse Guarantee Endorsement will terminate and there will be no more secondary guarantee. However, if the policy owner pays additional premium within the 61-day policy Grace Period, the policy will not lapse and will continue, but without the secondary guarantee.

Please keep in mind that if the Policy Threshold net of any outstanding loans is ever a number less than zero, the No-Lapse endorsement can go into the 31-day Grace Period even if the policy itself is not in the policy Grace Period. If this occurs, the policy owner will be notified of the 31-day Grace Period to restore the endorsement.

The ACE provision will automatically terminate at the first of the following:

1. The Policy Threshold minus any outstanding loans is less than zero and the 31-day period allowed for the policy owner to bring it back to zero or more has passed,
2. The end of the Threshold Period at the policy anniversary at exact age 111, or
3. Termination of the policy for any reason.

Once terminated, the ACE provision cannot be reinstated unless it was in force when the policy lapsed and is reinstated at the same time as the policy.

More About the Policy Threshold

As stated earlier, the Policy Threshold is a number calculated to determine the eligibility of the policy for the additional death benefit guarantee. As long as the value of the Policy Threshold is zero or greater (net of loans) the No-Lapse Guarantee Endorsement remains in force.



The Policy Threshold is a calculation that occurs parallel to the Accumulation Value calculation. This figure is calculated monthly and is increased by all gross premiums paid for the base policy (and any riders) and accrues interest at the guaranteed Threshold Interest Rate (on an annual basis), and is decreased by Threshold Monthly Premiums for the base policy and any riders, any refunds, and any partial surrenders.

The Policy Threshold does not appear on illustrations, data pages, annual statements, or on Grace Period notices. If the Policy Threshold (net of loans) goes below zero during the Threshold Period, we will give the policy owner 31 days to bring it up to zero or more. The policy owner will be told of the amount that is needed to be paid before the end of the 31-day Threshold Grace Period in order to maintain the death benefit guarantee. If the Policy Threshold is not brought up to zero, the No-Lapse Guarantee Endorsement will terminate and there will be no more secondary guarantee.

Illustrating the Death Benefit Guarantee

The illustration software will allow you to determine a premium schedule that will maintain the No-Lapse Guarantee Endorsement on the basis of the assumed transactions and activities illustrated. Any changes to those assumptions will impact the premium needed to maintain the No-Lapse Guarantee.

The “ACE” illustration type will solve for a premium schedule based on the input items as to any lump sums, 1035 exchanges, the timing of premium payments, the number of years premiums are to be paid, and the number of years for which a death benefit guarantee is desired (target year). There is an “ACE Face Search” illustration type that will solve for the largest face amount the premium schedule you enter can guarantee. Also, if a “Manual” illustration type is run, the illustration will indicate the duration of any death benefit continued pursuant to the No-Lapse Guarantee Endorsement in the columns labeled as using guaranteed assumptions.

If the policy death benefit is continuing due to the ACE provision, the “Accumulation Value” and the “Cash Value” columns will show zero while the “Death Benefit” column will have the face amount shown with an “A” indicator after it referring to the descriptive paragraph in the *Guide to the Illustration*.

It is very important to understand that the timing of premium payments has an effect on the amount of premium needed to guarantee the death benefit or the duration of the guarantee. The proper premium payment mode and any delays in premium payment receipt such as those due to backdating, the delay in receipt of 1035 proceeds or lump sums, or any other reason MUST be reflected in the illustration to obtain reasonable premium and death benefit results.

A final reminder: An illustration helps show the client how a policy works based on the assumptions specified on that illustration. Numbers reflected therein are not predictive of the policy’s actual future performance.

If an expected premium delay is not taken into account in the illustration, the illustration will erroneously assume that all premium payments are received at the beginning of each modal period. This means that the premium solved for will be too low and the resulting values and death benefit guarantee duration will be overstated.

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Transamerica Life Products Illustration System

File Tools Help

New Case

Open Case

Save Case

Producer

Options

Estimator

Instant Quote

Run Illustration

Check Updates

Help

Select/Filter

Producer Transamerica

Concept

Ledger

Product

TransACE Survivor @ 2010

Date

10/19/2010

4.00% Current Rate

Illustration Details

Proposed Insured

Policy Design

Policy Options

Policy Riders

Reports

Illustration Options

The TransSecurity (SM) Solution

Variable Interest

Variable MDS

RAP

1035 exchange

Policy Review

Income Protection

Policy Design

Solves

Solve

ACE

Face Amount

\$5,000,000

Estimator

Death Benefit Option

CV CapLevel DB

Premium Specifier

Lump Sum

\$0,000

Premium Mode

Annual

Month

3

1

2

3

4

6

7

8

Periodic Premiums

Start	End
1	\$5

Plan Specifics

Target Cash Value

Target Year

\$5

Instant Quote

Help



No Maturity Date*

With the improvements in medicine and increased public awareness of health-related issues, longevity has been steadily increasing. In fact, improvements have been so dramatic, many clients, particularly those in good health, are now concerned about living beyond the traditional life insurance policy age limitations.

TransACE Survivor does not have a maturity date. If the TransACE Survivor policy is still in force at the policy anniversary nearest exact age 121, subject to the terms and conditions outlined in the policy, the death benefit can continue for the lifetime of the surviving joint insured. After the policy reaches the policy anniversary nearest exact age 111, the nonguaranteed Monthly Deductions stop and no further premium payments are accepted. The policy's Accumulation Value will continue to accrue interest at the guaranteed minimum interest rate of 4%, and the policy continues on as before in all other respects unless, if on any policy anniversary, the Accumulation Value minus any existing loans is less than the loan interest due and not paid in cash.

Additional Features

The following are highlights only. Coverage is subject to all contract provisions. Please consult the contract for details.

One Uninsurable Life

The Company may issue TransACE Survivor when one of the individuals is uninsurable as long as the other individual is rated Table H or better. You may run an uninsurable proposal on TransWare®—Transamerica's illustration software. It is also important to properly indicate whether the uninsurable life is a smoker or a nonsmoker.

Premium Qualification Credit

The Premium Qualification Credit is a guaranteed "bonus" credited for each policy year during the RAP period provided that the cumulative sum of gross premiums received on or before the policy year-end, less any refunds and partial surrenders, equals or exceeds the cumulative sum of the RAPs for the base policy for the number of policy years completed as of the year-end. The Company will credit 2% of the RAP amount to the Accumulation Value provided the RAP amount is received on or before the policy anniversary date and is credited directly to the Accumulation Value at the beginning of the new policy year. This credit is payable in policy years 2 through 6 and is separate from interest crediting.

If the client fails to meet the cumulative RAP commitment, not only does the client miss the Premium Qualification Credit for that year, but the policy will enter the Grace Period. If the balance of the RAP is received before the end of the 61-day Grace Period, no credit will be paid, but the policy will continue in force. After the 61-day Grace Period has ended, if the balance of the RAP is not received, the policy lapses.

*Transamerica Life Insurance Company and its representatives do not give tax advice. Neither the Internal Revenue Code (IRC) nor the Internal Revenue Service (IRS) has defined life insurance coverage beyond age 100 or addressed the tax effects of attaining age 100 or the actual or constructive receipt of proceeds at that time or later. Clients should be urged to consult with and rely solely upon their own independent advisors regarding their particular situations.

**Estate Protection Rider**

The Estate Protection Rider will provide additional insurance during the first four years of the policy. The policy owner may apply for this four-year level term death benefit at the time of application. We will pay the rider benefit if the second death occurs during the first four policy years.

The Estate Protection Rider is designed for cases in which married joint insureds bought a policy and then transferred ownership to a trust or another person. Under the “3-year rule” (Internal Revenue Code Section 2035), the transferred policy would be brought back into the estate if both insureds were to die within three years after the transfer date. That would mean, for estate tax purposes, the policy’s death benefit would be included in the estate of the second of the two joint insureds to die.

The maximum face amount of the Estate Protection Rider is 125% of the base policy. The minimum face amount is \$25,000. This rider is only available at policy issue and will automatically expire at the end of the fourth policy year. Also, this rider will automatically terminate if the Guaranteed Policy Split Option is exercised.

Guaranteed Policy Split Option (GPSO)

This benefit allows the TransACE Survivor policy to be split into two individual interest-sensitive policies without evidence of insurability within six months after the occurrence of one of these events:

1. A final decree of divorce between the joint insureds,
2. Elimination or reduction of the federal estate tax Unlimited Marital Deduction (IRC Section 2056), or
3. Any change to IRC Section 2001 or its successor that reduces the federal estate tax rates such that the amount of the federal estate tax due at the second death is less than 50% of what it would have been before the change.

The Guaranteed Policy Split Option will be included automatically with all TransACE Survivor policies where neither joint insured is rated higher than Table F. There are no premiums payable and no MD rates deducted from the Accumulation Value of the TransACE Survivor policy to pay for this option. No evidence of insurability will be required when the split option is exercised.

The new individual policies will be a universal life contract that we make available. We will issue the new policies at the original TransACE Survivor issue date and at the original age and underwriting rating of each joint insured. We will split the face amount, Accumulation Value, and any loans under the TransACE Survivor policy 50/50 between the two individual policies. If each joint insured takes a new individual policy, we will waive any surrender penalties on the TransACE Survivor policy. We will not issue to either joint insured a policy for more than 50% of the TransACE Survivor face amount.

If one of the joint insureds does not want to take a new individual policy, we will refund 50% of the TransACE Survivor net cash value. (Net cash value means we will deduct surrender penalties and policy loans from that half of the value.) If one of the joint insureds wants an individual policy for less than 50% of the TransACE Survivor face amount, we will refund the balance of the net cash value to the policy owner. The GPSO cannot be exercised due to the dissolution of a business partnership if the joint insureds are partners or a corporation.

If there is an Estate Protection Rider on the policy, the rider will not be available for splitting.



Basic Policy Split Option (BPSO)

The GPSO will not be available if either insured is rated higher than Table F or the equivalent flat extra. If the insureds do not qualify for GPSO, they may apply to exercise the Option to Split the Policy that is included in the base policy contract (BPSO).

The Option to Split the Policy is the same as GPSO except:

1. The joint insureds must submit full evidence of insurability at the time of the split, and
2. The new individual policies will be issued at a current date using a product available for sale at that time, and the policies will be based on the attained age and current underwriting rating of each individual at the time of the split.

Accelerated Death Benefit (ADB)

This endorsement provides accelerated death benefits for a terminally ill survivor (as defined in the benefit provision) and is included at no additional charge in all policies where the endorsement has been approved by state. The ADB can be exercised by the policy owner of the TransACE Survivor life policy **only after the first joint insured has died** and the surviving joint insured is certified, by a qualified physician, as terminally ill with 12 months or less to live. A minimum benefit amount of \$10,000 up to a maximum amount of \$250,000 or 75% of the basic death benefit, whichever is less, may be requested. There is an administrative charge per ADB payment that varies by state. Benefits advanced under this option may be taxable.

Death Benefit

The beneficiary receives the death benefit less any policy indebtedness if the surviving joint insured dies. There are two death benefit options: Level (Option L) and Plus-Premium (Option R).

The death benefit is defined as follows:

- **Option L - The Level Version**—a death benefit equal to the face amount of the base policy, less any outstanding loans, as of the date of death.
- **Option R - The Plus-Premium Version**—A death benefit equal to the lesser of (1) or (2), minus any outstanding loans as of the date of death.

(1) the sum of the face amount of the base policy plus all gross premiums paid on the base policy coverage only, less any premium refunds, withdrawals, and partial surrenders as of the date of death, or

(2) four times the face amount of the base policy as of the date of death.

Under both death benefit options, if the Accumulation Value times the applicable death benefit factor yields a higher amount (i.e., the policy is in corridor), then the death benefit would be that amount (less any outstanding policy loans) as of the date of death.



If the policy is in force on the policy anniversary nearest exact age 121, then the full death benefit (as defined in the contract) will continue until the death of the surviving insured or until the policy is surrendered subject to payment of any loan interest due.

Death of the First Joint Insured

On the death of the first joint insured, the policy will remain in force provided the provisions of the policy continue to be met. Proof of death is contractually required to be submitted to the Company as soon as reasonably possible after the death of the first joint insured. The premiums and MD rates will remain the same.

Simultaneous Deaths of the Joint Insureds

If both joint insureds should die at the same time, the younger of the two will be deemed to have been the last to die. Under no circumstances will the Company pay the death benefit for more than one death.

Premiums

The TransACE Survivor policy has premiums payable for the duration of the Threshold Period. The Threshold Period is from the policy issue date to the policy anniversary nearest exact age 111. After the Threshold Period billing stops, however, the Company can still accept premiums any time prior to the policy anniversary nearest exact age 121. Each premium must be at least \$25 and may not exceed the limits described in the contract in the Premium Limitations provision.

Required Premium (RAP)

The TransACE Survivor policy owner commits to a Required Premium (RAP) for the first five policy years. The RAP for TransACE Survivor is dynamically calculated for each policy. This means that each policy will have a unique premium stream because it is based on the age, sex, underwriting class, smoking status, face amount, and any riders for the two particular joint insureds. Transamerica's TransWare illustration system provides the dynamic calculation of the rates.

During the RAP period, a guaranteed bonus called the Premium Qualification Credit is added to the Accumulation Value if the full RAP is received on or before the policy anniversary. Premiums are flexible as long as the policy owner meets the cumulative RAP test.

- The policy owner must satisfy the RAP requirement cumulatively in each of the first five RAP period years. These premiums must be paid on or before each policy anniversary.
-
- The RAP commitment is cumulative. The cumulative RAP is the committed RAP times the number of complete years the policy has been in force. This means that at the end of each of the required premium years, the Company will test the net deposits (gross premiums paid minus partial surrenders, withdrawals, and premium refunds) to be sure the policy owner has paid the cumulative RAP. If the policy fails the RAP test on an anniversary, the Grace Period begins. At the end of any 61-day Grace Period, the policy will lapse if sufficient premium has not been paid.
-
- The policy owner may pay more than the committed RAP or may pay the RAP in advance during the 5-year RAP period subject to the Premium Limitations provision in the contract.
-



- After the RAP period, the premiums are flexible subject to all premium requirements shown in the contract. Please note that if the Policy Threshold requirements shown in the contract are not met, then fluctuations in interest rates and/or policy charges and other factors may require the payment of additional premiums to keep the policy in force.

Important Note

We require an illustration before we will issue the TransACE Survivor policy.

On the policy application, the proposed policy owner specifies the total RAP commitment. The application must specify the amount of RAP allocated to the base and any riders. This breakdown of RAP allocation appears on the illustration.

We must have a copy of an illustration produced by Company-developed software signed by the proposed policy owner in order to issue the policy. Accuracy of the RAP allocation is crucial.

Planned Periodic Premiums

On the application, the policy owner selects a premium amount and the mode of payment. The payment at each mode is called the Planned Periodic Premium, or PPP. The Company will bill for the greater of the PPP or the amount necessary to satisfy the minimum Required Premium. The payment modes available are annual, annual PAC, semi-annual, semi-annual PAC, quarterly, quarterly PAC, monthly, and monthly PAC. All modes are available except direct monthly.

Premium Limitations

After issue, the minimum premium payment amount must be \$25. If, in the Company's opinion, any premium would cause the death benefit to lose its tax-favored status as a life insurance contract under Section 7702 of the IRC, we will refund that premium.

We also reserve the right to refund premiums in the following situations:

1. If unscheduled premiums in any 12-month period exceed \$25,000.
2. If the total premium paid during the policy year increases the difference between the death benefit and Accumulation Value, and exceeds \$20 per thousand of face amount and three times the Monthly Deduction for the last policy year.

Premium Refunds

Apart from the "Free-Look" provision, it is not our normal practice to refund premium payments on policies. It is the policy owner's responsibility to withhold payments if the policy owner does not wish to pay them.



Free-Look Period and Delivery Period

Free-Look Period

The Free-Look Period varies from state to state. For the majority of states, the Free-Look Period is 10 days, although different rules may apply to “senior” policy owners. In the policy the provision is called the “Right to Examine and Return Policy Within 10 Days.” Should the Free-Look provision be exercised, the policy will be voided from the beginning and we will refund any premiums paid.

Delivery Period

The Delivery Period for TransACE Survivor is 60 days.

Monthly Deductions (MD)

Each month, the Company subtracts from the Accumulation Value a Monthly Deduction (MD). The MD rates are applied to the net amount at risk, which is the difference between the death benefit of the policy and the Accumulation Value at the beginning of each month. Monthly Deductions cover cost factors that include, but are not limited to, the cost of insurance, expenses, any applicable federal, state, and local taxes, the cost of riders, any monthly per thousand charge, and the policy fee.

Every TransACE Survivor policy will have its own unique classification. Each joint insured is classified separately by the joint insured’s age, sex, underwriting classification, and band. Then the two individuals will be blended together to create the policy’s unique Monthly Deduction rates. The TransWare illustration system will dynamically calculate these rates for each individual case. There are two sets of Monthly Deduction rates: nonguaranteed MD rates and guaranteed MD rates. Nonguaranteed MD rates are banded by face amounts as outlined in the TransACE Survivor “Quick Facts” found at the beginning of this *Guide*. The band for which the policy qualifies depends on the total UL coverage face amount.

Nonguaranteed Monthly Deductions

Nonguaranteed Monthly Deduction (MD) rates are guaranteed for the first five policy years. The MD covers the cost of insurance and a portion of expense related to the policy. The total amount that is subtracted monthly from the policy’s Accumulation Value is the MD rate times the net amount at risk divided by 1,000, plus the monthly policy fee, plus the per thousand charge, plus the MDs for any riders. At the beginning of each policy month, we recalculate the net amount at risk (the difference between the death benefit and the Accumulation Value) and deduct the Monthly Deduction from the policy’s Accumulation Value. The policy accrues interest daily at Company-declared rates on policy values and we credit it monthly on the monthly anniversary.

After the initial guarantee period, the MD rates will never be greater than the guaranteed rates printed in the issued policy. Nonguaranteed MDs are taken until the policy reaches the policy anniversary nearest exact age 111, then the nonguaranteed schedule of MD rates stops and no further premium payments are billed.

Guaranteed Maximum Monthly Deductions

The nonguaranteed MD rates are guaranteed for the first five policy years. The guaranteed MD rates, after the initial guarantee period, are based on the 2001 CSO Ultimate, sex-distinct, smoker-distinct, age-nearest-birthday tables. The MD rates at the policy anniversary nearest exact age 121 and beyond are guaranteed to be zero.



Estate Protection Rider

Since this term rider automatically expires in four years, the guaranteed and nonguaranteed MD rates are the same. The RAP is not reduced at the end of the four years.

Policy Charges

Administrative Charge

When we receive a premium, the Company deducts 9% from the premium paid as an administrative charge. Therefore, the net premium is 91% of the gross premium paid. The administrative charges are guaranteed to be 9% for all years until the policy anniversary nearest exact age 121, when it ceases.

Policy Fee

The policy fee is subtracted monthly and is part of the Monthly Deduction. The current policy fee is \$6 per month and is only guaranteed for the first policy year. The policy fee is guaranteed never to exceed \$10 per month in policy years up to the policy anniversary nearest exact age 111.

Monthly Expense Charge Per Thousand

The monthly expense charge per thousand is assessed only for the first five policy years on a current and guaranteed basis for all issue ages. This charge is based on the number of thousands of face amount, not on the net amount at risk, of the base coverage. The per thousand charge rate can be found on the "Policy Data" page of an issued TransACE Survivor policy.

Interest Assumptions

The Accumulation Value accrues interest at Company-declared interest rates until the policy anniversary nearest exact age 121. From that point forward, the Accumulation Value will continue to earn interest, but at the guaranteed minimum interest rate of 4%.

Current Interest Rate

The current interest rate applicable to the Accumulation Value is Company-declared. Although the rate declared by the Company can change at any time, it can never fall below the guaranteed minimum interest rate of 4%.

The rates applicable to any premium payments are dependent on the dates premium payments are received in the Cedar Rapids Administrative Office. Consequently, more than one interest rate is often applicable to different portions of the Accumulation Value at the same time. The policy owner's annual statement itemizes the applicable current rates.

TransACE Survivor is supported on Transamerica's TransWare life illustration software. The illustrated interest rate can be used in an example of how a policy may work. The illustrated interest rate is not guaranteed, nor is it a prediction of future policy values. Only the values and benefits in the columns on the micro illustration labeled "Projected Values at Guaranteed Interest Rate/Guaranteed Monthly Deductions" represent amounts actually guaranteed in the policy. If the policy death benefit is continuing under the



No-Lapse Guarantee (ACE) Endorsement, the Accumulation Value and the cash value columns will show zero, while the Death Benefit column will have the face amount shown with an “A” (for “ACE”) indicator after it, which is explained in the paragraph describing the endorsement in the “Guide to the Illustration.”

Guaranteed Minimum Interest Rate

The guaranteed minimum interest rate is 4%.

Policy Lapse, Grace Period, and Reinstatements

Policy Lapse

TransACE Survivor is a “cash value-based” lapse policy.

Grace Period**During the first five policy years:**

The policy can enter the Grace Period on a policy anniversary if the total of premiums paid since inception of the policy less the sum of any partial surrenders and refunds is less than the sum of the RAPs for the number of completed policy years. The policy will also enter the Grace Period, unless the No-Lapse Guarantee (“ACE”) Endorsement is in effect, if there is insufficient Accumulation Value net of any outstanding policy loans to pay the Monthly Deduction due or sufficient net cash value to pay any loan interest due and not paid in cash. At the end of any 61-day Grace Period, the policy will lapse if the Company does not receive sufficient premium during that time. If upon lapse there is net cash value remaining, the Company will send a surrender check to the policy owner or change the policy to Reduced Paid Up (in states that require this option) for the amount that can be purchased by the net cash value.

In policy years six and later, but prior to the policy anniversary at exact age 111:

Unless the No-Lapse Guarantee Endorsement is in effect, if there is insufficient net cash value to pay the Monthly Deduction due plus any loan interest due and not paid in cash, then the policy will enter the Grace Period. At the end of any 61-day Grace Period, the policy will lapse if the Company does not receive sufficient premium during that time. If upon lapse there is net cash value remaining, the Company will send a surrender check to the policy owner or change the policy to Reduced Paid Up (in states that require this option) for the amount that can be purchased by the net cash value.

After the policy anniversary at exact age 111:

If the policy’s Accumulation Value is not enough to cover any outstanding loan interest due and not been paid in cash, then the policy will enter the Grace Period. The policy owner will be notified and has 61 days to pay enough to provide sufficient Accumulation Value to cover the interest due. If the Company does not receive sufficient premium within the Grace Period, the policy and any attached riders will lapse.

Please keep in mind that the No-Lapse Guarantee Endorsement (or ACE) can enter its own 31-day Grace Period and lapse, yet the policy can still be in force. This can occur if the Policy Threshold minus any outstanding loans goes below zero, but there is no cash value insufficiency. If the policy cash value is insufficient and the Policy Threshold minus any outstanding loans goes below zero, then the policy and the No-Lapse endorsement will enter the Grace Period. However, the policy has a Grace Period of 61 days, but the ACE endorsement’s Grace Period is 31 days. If the policy owner wants to keep the No-Lapse Guarantee Endorsement from terminating, he/she has 31 days to pay additional premium or repay



any outstanding loan to bring the Policy Threshold net of any outstanding policy loans up to zero (or more). If the policy owner does not pay the additional premium, the ACE endorsement terminates. **Once terminated, the ACE provision cannot be reinstated.**

Reinstatements

Reinstatements are allowed within three years after the lapse date, provided the policy was not surrendered and the reinstatement occurs before the maturity date. The reinstatement is subject to:

- Evidence of insurability satisfactory to us.
- The appropriate premium and reinstatement interest of 6% is paid.

If there is a loan, the policy owner must repay or reinstate any policy loan that was in existence as of the termination date, and the compounded loan interest must be paid at the Loan Reinstatement Interest Rate of 8%. **The ACE provision may not be reinstated unless it was in force when the policy lapsed.**

Full and Partial Surrenders

There may be tax consequences. Policy owners should be urged to consult with qualified tax advisors about possible tax implications. In general, partial or full surrender of an amount in excess of the policy's basis is taxable. If the policy is a MEC, please see the section at rear of this *Guide* entitled "MECs and IRC Section 1035 Exchanges." Partial surrenders will affect the policy value and net cash value and may affect the death benefit.

Company-imposed surrender penalties decrease each year and disappear entirely after the 15th anniversary. Surrender-penalty-free withdrawals are not available. Withdrawals will affect the policy value and net cash value and may affect the death benefit.

Full Surrender

The surrender penalties for TransACE Survivor last for 15 policy years and decrease each year until they disappear after the 15th policy year. The amount available for a full surrender is the Accumulation Value as of the surrender date (plus any interest accrued to the date of the request), minus any surrender penalty, and minus the amount of any outstanding loans.

If the policy owner requests a full surrender, all riders will terminate. Riders cannot exist without the base UL coverage.

Partial Surrenders (or Withdrawals)

Partial surrenders are withdrawals of cash value that incur a Company-imposed surrender penalty. They are allowed after the Free-Look Period has expired. The minimum partial surrender amount is \$500. The maximum amount available for a partial surrender is the Accumulation Value minus the amount of any outstanding loans, minus three Monthly Deductions, minus the greater of the full surrender penalty or \$25. The face amount will be reduced by the sum of the partial surrender plus any partial surrender penalty. A partial surrender which would reduce the face amount below the minimum face amount of \$250,000 will not be permitted.



Important Information

Partial Surrenders, Required Premiums, and the RAP Period

During the RAP period, the policy will lapse if partial surrenders cause the net amount paid (i.e., premium minus amounts withdrawn) as of each policy anniversary to fall short of the cumulative Required Premium.

Loans

Loans are available any time after issue as long as there is net cash value. The request must be made in writing. The maximum amount available is the Accumulation Value minus the greater of two Monthly Deductions or a full surrender penalty, minus the amount of any outstanding policy loans, minus any interest on the requested loan to the end of the policy year. Loans will affect the policy value and net cash value and the death benefit.

The loan has a net effective annual loan cost of 2.5%. This spread is the difference between the effective annual loan interest rate and the credited interest rate. There is an 8% effective annual loan interest rate charge (7.4% in advance) on TransACE Survivor loans. The loaned value continues to earn interest at 5.5%, resulting in a net effective annual loan cost of 2.5%. The interest rate on the loaned value is credited and compounded monthly.

As long as the Policy Threshold minus any outstanding loans is not less than zero, the No-Lapse Guarantee Endorsement will remain in force. Should the Policy Threshold minus any outstanding loans become zero or a negative number, the policy owner will be notified that the endorsement will lapse unless sufficient premium or loan repayment is received within the 31-day Grace Period.

Capitalization of Loan Interest

If the policy owner does not pay policy loan interest in cash, we will create a new loan to pay the interest. If there is not enough Accumulation Value (net of the outstanding loans and net of surrender charges to pay the loan interest due), the policy goes into the Grace Period.

Loan Repayments

The policy owner may repay any part of a loan at any time. The policy owner must specifically request that a payment be applied to repay the loan; otherwise, we treat it as a premium payment.

Automatic Premium Loan (APL)

At the time of application, a policy owner may specify on the application whether or not to include the Automatic Premium Loan provision. If APL is in effect and the policy fails a RAP test, but there is enough net cash value, we will create a loan for the amount of the RAP due. We will do this at the end of the Grace Period. Borrowing the RAP keeps the policy from lapsing due to failure to meet the RAP test. The policy owner can request that the APL provision become effective on the policy after issue if not requested on the application.



Policy Changes

Policy Face Amount Increases

Policy face amount increases or layers are not allowed on TransACE Survivor.

Policy Face Amount Decreases

Because of the unique rate calculation for each TransACE Survivor policy, decreases in face amount will **only be allowed on the policy anniversary**. A pro rata surrender penalty will apply if the policy owner requests a decrease in the face amount while the policy is still in its surrender penalty period. The pro rata surrender penalty is a percentage of the full surrender penalty equal to the percentage of the face being reduced. The face decrease request must:

1. Be for at least \$25,000;
2. Not violate the minimum issue limits; and
3. Not violate the Estate Protection Rider to base policy ratio requirements.

Decreasing the face is not a material change. However, if the decrease occurs within seven years after issue or a material change, this will result in the retroactive recalculation of the TAMRA 7-pay limit based on the reduced face amount. This may cause a policy to become a Modified Endowment Contract (MEC) if it fails the new 7-pay test.

Underwriting Class Changes

If the joint insureds provide evidence of insurability satisfactory to the Company, we may change the class of risk of the policy or layer to a more favorable risk class. The following changes will be allowed by Company practice (noncontractual changes):

- Standard to Preferred or Select underwriting class;
- Smoker to Nonsmoker; and
- Rated to Non-rated.

Such a change in the policy is considered a material change under TAMRA. The Company may alter or terminate its practice of noncontractual changes at any time.

Because of the unique rate calculation for each TransACE Survivor policy, changes in risk classification are only processed on the policy anniversary date.

If both the joint insureds provide satisfactory evidence of insurability, a new risk classification for a joint insured would trigger a recalculation of the cost of insurance. Such a change is a material change under TAMRA. After the change, Monthly Deduction rates will be based on the new risk class.



Since we require evidence of insurability, a new contestability period will begin. However, since there is no additional risk, the suicide period will not restart.

Rewrites

If a policy owner requests a “current date change” from another UL policy to TransACE Survivor, full evidence of insurability acceptable to us will be required for both joint insureds. **Full surrender charges on the other policy’s value will be assessed.** First-year compensation will be paid only on new out-of-pocket premium up to the amount of the increase in the TransACE Survivor target premium over the other policy’s target premium.

Conversions

While not contractually guaranteed, we will allow insureds who have a conversion option in one of our term policies to choose a currently offered survivorship policy as the new policy. **The Select Nonsmoker classes will not be available.**

If only one of the prospective joint insureds has a conversion option, the other prospective joint insured will be required to provide evidence of insurability and must not be rated higher than Table D. The maximum amount available will be an amount equal to the smaller of the term face amounts if both joint insureds have convertible term, or the face amount of the term policy if only one joint insured has convertible term.

Information About Federal Tax Laws

In this guide, references to the IRC mean the IRC of 1986, as amended. IRC Sections 7702 and 7702A are discussed in a limited fashion.

Urge policy owners to seek the advice of a qualified tax counselor.

Transamerica Life and its representatives do not give tax advice, nor should any information contained herein be construed as tax advice.

TransACE Survivor satisfies the definition of a life insurance contract using the Cash Value Accumulation Test method under IRC Section 7702.

The Cash Value Accumulation Test (CVAT) places no tax law limit on the amount of premiums that can be paid. Therefore, CVAT accommodates clients who have sizable premiums or deposits (for example, with transfers of cash values from existing policies). There are, however, Company limitations. See the “Premium Limitations” section of the guide for details.

The CVAT method ensures that a minimum amount is “at risk” between the death benefit and the Accumulation Value. Without this prescribed amount at risk, the contract would no longer qualify as a life insurance contract for federal income tax purposes. To comply with the requirements of IRC Section 7702, the CVAT version uses Death Benefit Factors to maintain the required margin between the Accumulation Value and the death benefit. Therefore, as needed, the death benefit is increased causing the death benefit to go into “corridor” to maintain the policy’s qualification as life insurance. When a policy is in corridor, it may result in a larger amount at risk and larger Monthly Deductions, which leads to lower cash value accumulation.



MECs and IRC Section 1035 Exchanges

In 1988, Congress enacted TAMRA which created a new category of life insurance called a “Modified Endowment Contract” (MEC). Generally speaking, a life insurance policy becomes a MEC if the premium exceeds the cumulative limit during the first seven years after issue, or in the first seven years after a material change. New 7-pay limits may be established for the policy as a result of changes in policy terms or benefits. A decrease in face amount at any time on a survivorship policy may cause the policy to become a MEC.

Under current federal income tax law, a MEC still continues to earn tax-deferred interest on its Accumulation Value and generally qualifies for income tax-free distribution of the death benefit to the beneficiary. However, if a policy becomes a MEC, loans, withdrawals, surrenders, distributions, pledges, and assignments in the two years prior to becoming a MEC and thereafter are treated as distribution of earnings first and distribution of cost basis last. This means that the policy owner of a MEC would have an immediate income tax liability for any money received up to the gain in the contract as a result of any of these transactions on an “income-out-first” basis. In contrast, if a life insurance policy is not a MEC, distributions are first a recovery of basis and then a distribution of income in the contract. Partial surrenders and withdrawals are distributions; policy loans, pledges, and assignments are not considered distributions when taken from a policy that is not a MEC.

In addition, if the policy owner is under age 59½ or is not an individual (e.g., trust), the policy owner may be subject to the additional 10% federal income tax penalty on the taxable portion of any distribution. Though MECs can be valuable life insurance contracts, they should probably be avoided if the policy owner plans to withdraw policy values at retirement.

A MEC contract is not appropriate for policy owners who wish to deposit large sums of money in the early years with the intent of withdrawing or borrowing the funds in the near future.

To prevent a policy from becoming a MEC, the premium submitted in each of the first seven policy years after issue or after a material change cannot exceed the 7-pay limit. To avoid creating a MEC, premiums may not be paid in advance. If, for example, the yearly 7-pay limit is \$1,000, then the total premium submitted cannot exceed \$1,000 by the first anniversary, \$2,000 by the second, \$3,000 by the third, etc. If \$500 is paid in year one, \$1,500 could be paid in year two, but not vice versa. To determine the 7-pay premium for a particular case, you will need to run an illustration.

To calculate whether the life policy resulting from a Section 1035 exchange will be a MEC, take the gross value being carried over and multiply it by the appropriate factor shown on the micro illustration. If the result, plus any new premium submitted, is below the 7-pay limit in each of the first seven years and the old contract was not a MEC, the new policy should not be a MEC. The illustration software will do this calculation for you if you fill in the appropriate 1035 exchange figures.

To determine the 7-pay premium for a particular case, you will need to run an illustration.

A policy that does not become a MEC in the first seven policy years can become a MEC after the seventh policy year if the death benefits go into corridor or if certain policy changes occur and sufficient additional premium is added.



Riders and Options

The following are highlights only. Please consult the actual contract text for details. Coverage is subject to all terms, conditions, and exclusions contained in the contract. Availability of any rider and/or option is subject to appropriate regulatory approval and requirements.

Accelerated Death Benefit (ADB)

ADB provides advance death benefits on the life insurance policy to which it is attached, if the surviving joint insured contracts a terminal illness and is expected to die within 12 months. The ADB can be exercised only after the death of the first joint insured on survivor life policies. This benefit is only available on level face amount policies. Benefits advanced under this option may be taxable.

Limits:

The policy must have a minimum face amount of \$50,000.

The minimum payment is \$10,000. The maximum payment is the lesser of \$250,000 or 75% of the combined death benefit of all policies on the life of the insured minus a portion of any due loans and interest.

Rates:

Transamerica Life does not charge an additional premium for this option. However, there is an administrative fee for each Accelerated Death Benefit payment that varies by state.

Automatic Premium Loan (APL)

APL provides the owner with the opportunity to pay required premiums by creating loans against the policy cash value. There must be sufficient net cash value available to cover the amount of the premium. The APL provision can be requested as an endorsement to the policy where an overdue premium will automatically be paid by loan on the 61st day past the premium due date.

If the APL provision was not elected at issue, APL can be requested in writing. The request must be received in the Cedar Rapids Administrative Office within 61 days of the premium due date or the policy will be subject to normal reinstatement rules.

APL can be requested on a universal life policy with a RAP. If the RAP test shows insufficient RAP premium, a loan will be made against the net cash value in an amount equal to the difference between the submitted premium and the RAP if adequate net cash value exists. This option is available at no additional charge.

Basic Policy Split Option (BPSO)

If either joint insured is rated higher than Table F and therefore does not have the GPSO but would otherwise meet the criteria to elect the GPSO, he/she may apply to exercise the Option to Split the Policy under the BPSO. This means that:

1. The joint insureds must submit full evidence of insurability at the time of the split, and
2. The new individual policies will be issued at a current date; they will be based on the attained age and current underwriting rating of each individual at the time of the split.



Enhanced Surrender Value Endorsement

This benefit provides an enhanced surrender value if the policy is surrendered during the 60-day period following either the 10th or 15th policy anniversary.

At the 10th anniversary, the enhanced surrender value is 90% of the gross premiums paid less any refunds, partial surrenders and outstanding policy loans. At the 15th anniversary, the enhanced surrender value is 100% of the gross premiums paid less any refunds, partial surrenders and outstanding policy loans. In no event will the surrender value be less than the net cash value or more than 50% of the then-current face amount of the policy.

The Enhanced Surrender Value Endorsement will be included automatically in all TransACE Survivor policies at no cost.

The enhanced surrender value amount provided by this endorsement is included in every TransACE Survivor new business illustration on the Riders and Options page in jurisdictions that have approved the endorsement.

Estate Protection Rider

The Estate Protection Rider is designed to provide additional insurance (during the first four years of the policy) in which the married joint insureds bought a policy and then transferred ownership to a trust or another person. Under the “3-year rule” (Internal Revenue Code Section 2035), the transferred policy would be brought back into the estate if both insureds were to die within three years after the transfer date. That would mean that for estate tax purposes the policy’s death benefit would be included in the estate of the insured who was the second insured to die. We will pay the rider benefit if the second death occurs during the first four policy years.

Full Policy Surrender Penalty Waiver Endorsement (“Honeymoon Provision”)

The Full Policy Surrender Penalty Waiver Endorsement waives Company-imposed surrender charges for a full surrender of a policy during the first five policy years. Surrender charges will continue to apply to partial surrenders, loan amounts, and face reductions. This endorsement is also known industry-wide as the “Honeymoon Provision.”

The endorsement is only available at issue on policies with a minimum RAP of \$100,000. It must be requested in the “Remarks” section of the application. The client should be urged to consult with a tax advisor about possible tax consequences. Both the producer and the general agent, however, will be required to sign a “Honeymoon Provision Consent to Charge Back of Commission” form (TOA 300-104) acknowledging that they understand that the commissions will be “charged back” if the policy is cancelled, lapsed, or is surrendered during the first five policy years. **The signed form must be submitted to New Business before the policy will be issued with the Honeymoon Provision.** This endorsement is not illustratable.

Guaranteed Policy Split Option (GPSO)

This benefit allows the TransACE Survivor policy to be split into two individual interest-sensitive plans without evidence of insurability within six months after the occurrence of either divorce, elimination or reduction of the federal estate tax Unlimited Marital Deduction, or any change to the tax rates in the Internal Revenue Code that would reduce the federal estate tax by 50% due at the second death.



The Guaranteed Policy Split Option will be included automatically with all TransACE Survivor policies where neither joint insured is rated higher than Table F. There are no premiums payable and no MD rates deducted from the Accumulation Value to pay for this option. No evidence of insurability will be required when the split option is exercised.

Income Protection Option (IPO)

The IPO gives policy owners the ability to designate a guaranteed monthly income stream, to one or more beneficiaries, in addition to an initial lump sum and/or a final lump sum.

- Minimum lump-sum benefit amount: \$10,000

- Minimum monthly guaranteed income stream duration: 5 years

- Maximum monthly guaranteed income stream duration: 25 years

- Minimum monthly benefit amount: \$100

This option is available at no additional charge and is only offered in approved jurisdictions.

Surrender Penalty Deferral Endorsement

This endorsement will allow a one-time face reduction on or after the fifth policy anniversary with no surrender charges assessed at that time. The surrender charges from the original face amount will continue to apply to the policy after the face reduction. This endorsement is only available on policies with a RAP for five years of \$50,000 or more per year. The Surrender Penalty Deferral Endorsement is only available at the time of issue and therefore must be requested in the “Remarks” section of the application. This endorsement does not impact producer or agency compensation. A reduction in the face amount in any policy year may cause the policy to become a MEC.



Transamerica Life Insurance Company

an **AEGON** company