



AMERICAN FIDELITY  
ASSURANCE COMPANY'S

# *AF Permanent Life*<sup>®</sup> Insurance



*May Help Financially Protect Your Loved Ones*

# AF Permanent Life<sup>®</sup>

It's important to prepare for the unexpected and help ensure your loved ones will be financially protected in the event of a tragedy. Your life insurance benefit can help replace your income and help your family to meet important financial needs like funeral expenses, everyday living costs, and college expenses.

Protects  
you for  
your  
entire  
life.

## Consider the Facts

- *A traditional funeral and burial cost is at least \$9,000.<sup>1</sup>*
- *A typical household has a median shortfall of about \$215,000 in life insurance.<sup>2</sup>*

AF Permanent Life<sup>®</sup> Insurance is an individual whole life insurance policy that provides protection for your entire life.<sup>3</sup> The premium and amount of protection stays the same as long as the policy is in force, provided premiums are paid as required.

## Protect Your Family with AF Permanent Life<sup>®</sup>

- Rates guaranteed not to increase.<sup>3</sup>
- Guaranteed cash value accumulation up to age 100.
- A guaranteed death benefit amount that is generally paid tax-free up to age 100.<sup>3</sup>
- Rates based on issue age allows you to secure a lower rate now.
- A policy that you own. Take it with you if you leave employment at the same rate.
- Policies available for you, your spouse, children, and grandchildren.

## How It Works

Your premium and benefit amount will remain the same during the "whole" life of the policy.



# Product Features

- Easy application
- Minimal health questions<sup>4</sup>
- No medical tests<sup>4</sup>
- Accelerated Death Benefit
- Interim coverage<sup>5</sup>
- Employee issue maximum up to \$200,000<sup>6</sup>
- Issue ages: 1 month to age 70
- Spouse issue maximum up to \$50,000<sup>6</sup>
- Child/Grandchild issue maximum: \$30,000
- Issue minimum: \$10,000

## Additional Options

### WAIVER OF PREMIUM

This rider waives the premium for the base policy and any attached riders if the base insured becomes totally disabled, as defined in the rider, for at least six consecutive months. If your total disability ceases, you simply resume premium payments; there is no requirement for payment of back premiums. Issue age is 18 to 55. The rider terminates at age 60.

### ACCIDENTAL DEATH BENEFIT

This rider provides the insured an additional death benefit if death is the result of an accident. The face amount is equal to the face amount on the base policy. Issue age is 18 to 65. The rider terminates at insured's age 70.

### CHILDREN'S TERM RIDER<sup>7</sup>

This rider provides level term life insurance protection for all your eligible children who are between the ages of one month through age 18. Coverage remains on each child until age 25 or marriage of the child prior to age 25. One premium covers all eligible children. Two benefit levels are available:

- \$10,000
- \$20,000

Help  
prepare  
for the  
unexpected.



# Continue To Provide For Your Loved Ones.

## ACCELERATED BENEFIT SUMMARY AND DISCLOSURE NOTICE

The life product you are applying for includes an Accelerated Benefit Provision, which allows a portion of the death benefit to be paid if the Insured should become terminally ill. There is no extra premium associated with this provision. Any Accelerated Benefit paid will be treated as a lien against the policy proceeds.

The maximum accelerated benefit payable is the lesser of \$50,000, or 50% of the eligible proceeds as defined in the policy or rider. The total accelerated benefit payment under all policies and riders issued by us on any one life will not exceed \$100,000. (\$100,000 maximum does not apply in Illinois, Florida, New Jersey, Pennsylvania and Vermont.) You have the right to request an accelerated benefit up to the maximum available. If the amount is less than the maximum, you have one additional request available for the balance of the benefits. The additional request for benefits must be received within 12 months from the date of the first benefit payment. (The additional request is not available in Connecticut.)

Prior to the payment of any accelerated benefit, the following conditions must be met:

- The Insured must have a terminal illness or injury, as defined in the policy, which with reasonable medical certainty will result in a drastically limited life span of the Insured of 12 months or less. (24 months or less in Illinois and Vermont.)
- The policy and/or the rider must be in force at the time benefits are requested and the Insured must be less than 85 years of age. (Does not apply in Connecticut and Florida.)
- This benefit is not available if you are required by law to use it to meet the claims of creditors, whether in bankruptcy or otherwise; or, if you are required by a government agency to use it in order to apply for, obtain, or otherwise keep a government benefit or entitlement. (Does not apply in Connecticut.)
- We must receive the approval of any irrevocable beneficiaries before an accelerated benefit payment can be approved.
- Any outstanding policy loan, including interest, will be deducted from the Accelerated Benefit payable.

This Accelerated Benefit Provision if elected will have the following effect on your policy:

- Premiums will continue to be billed and payable as due. If the policy enters the grace period, as defined in the policy or rider, the premium due to keep the policy in force will be paid by us. The premiums paid by us will be deducted from the proceeds upon the death of the insured.
- Policy proceeds which are payable on the death of the Insured and Cash Values, where applicable, will be reduced by the amount of the accelerated benefit payment(s) and any premium paid by us.
- We reserve the right to charge a one-time administrative charge that will be deducted from the accelerated benefit. This charge will not exceed the amount stated in the policy or rider. (Charge does not apply in South Carolina. For Virginia, this charge will not exceed \$500.)

This Notice serves only as a summary and a disclosure regarding the Accelerated Benefit Provision. Please refer to your policy or rider for actual contract provisions.

You should consult with a personal tax advisor if you are considering electing the Accelerated Benefit Provision. Benefits as specified in the policy or rider will be reduced upon receipt of an accelerated benefit payment. This is not a long-term care policy. Receipt of accelerated benefit payments may be taxable or may affect your eligibility for benefits under state or federal law. Receipt of Accelerated Benefit payments may also affect you, your spouse or your family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs.

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## NOTICE TO APPLICANT

Thank you for applying for insurance with American Fidelity Assurance Company. Before we can issue a policy, we must first evaluate or "underwrite" your application. The purpose of this is to: 1) be sure you qualify for the insurance requested; and 2) determine the correct premium rate. Your answers to the questions on the application provide the basis for evaluation. We will use only the information you provide on the application. The information we obtain about you is treated as confidential. We will only disclose your nonpublic financial or medical information to other entities as permitted or required by law. With your prior written authorization, we or our reinsurers may disclose information in our files to other life insurance companies to which you apply for life or health insurance which have first agreed in writing with us to maintain the confidentiality of such information. You have the right to request information about such disclosures, and to know what information is in your file and seek correction of any data that you think is wrong.

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This is a brief description of the coverage and does not constitute the actual policy. For actual benefits, limitations, exclusions and other provisions, please refer to the policy. Additional riders are subject to our general underwriting guidelines and coverage is not guaranteed. Rider availability may vary by state. Not eligible under Section 125.

<sup>1</sup>What a Funeral Costs. *FuneralWise.com*. Retrieved December 2, 2011, from <http://www.funeralwise.com/plan/costs>. <sup>2</sup>LIMRA: *Household Trends in U.S. Life Insurance Ownership (2010)* p.30. <sup>3</sup>As long as premiums are paid, as defined in the policy. Please consult your tax consultant for your specific situation. <sup>4</sup>Issuance of the policy depends on the answer to these questions. <sup>5</sup>You will be covered from the date of your application if you are insurable for the requested coverage on the date the application is signed. This Interim Coverage will remain in force until the policy has been issued or declined. <sup>6</sup>Face amounts vary based on issue age. Spouse face amounts are also based on whether the employee purchases coverage at the same time. <sup>7</sup>Your covered child may convert this rider for up to five times the amount of coverage to any form of permanent insurance offered by American Fidelity Assurance Company.



Our Family, *Dedicated to Yours*™

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