



# Generation Legacy<sup>®</sup>

*Leave behind more than memories*



The Baltimore Life<sup>®</sup>  
COMPANIES

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Form 8253(30)-0323



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As years pass, like others, you probably accumulated money in one or more of the following financial vehicles:

- Non-qualified annuities
- IRAs
- 401Ks
- Pension Plans

**Have you calculated the impact of taxation on the distribution of these funds?**

**Are all of your cash assets needed for daily living expenses in retirement?**

**Do you want to substantially increase the assets you pass onto your heirs?**

In most situations, people want to reduce their taxes and transfer a portion of funds from annuities and qualified plans not needed for retirement to:

- Children
- Grandchildren
- Place of Worship
- Favorite Charity
- Alma Mater



**And, they like the transfer process to be easy and understandable.**

# Key Questions to Consider

- Do you have non-qualified annuities or other qualified plans that will not be used for daily living expenses during your retirement?
- Does the idea of reducing your taxable income while increasing your estate interest you?
- Would you like to avoid probate cost and possible delays for your heirs when settling your estate?
- Would you like to have access to your cash\* in case of an emergency or a catastrophic illness?

*\*Refer to the rider for complete terms and conditions. Use with Baltimore Life rider Forms 8245 and 8247 and state specific variations, where applicable.*



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## If any of your answers are YES, consider the benefits of Generation Legacy from Baltimore Life:



- Increase your estate
- Provide an income tax-free inheritance to your beneficiaries
- Pass money directly to beneficiaries to avoid probate costs
- Receive a death benefit for life
- Access your guaranteed cash values for financial emergencies
- Receive a portion of your death benefit while living in case of a catastrophic illness:
  - Terminal Illness
  - Nursing Home Confinement
  - Home Health Care/Adult Day Care

*Refer to the policy for complete terms and conditions. Use with Baltimore Life policy Forms ICC18-8243 and 8244, riders Forms 8245 and 8247, and state specific variations, where applicable. Product and riders may not be available in all states.*

Form 8253(30)-0323

# Generation Legacy

*Providing a Gift for the Ones You Love*



# Generation Legacy – Two Products in One Package

- Generation Legacy combines a single premium immediate annuity (SPIA) and a whole life insurance policy
  - Maximizes the gift to your loved ones
  - Effectively minimizes taxes, probate costs, and distribution delays at your death
  - Is simple to apply for and easy to maintain



# Generation Legacy

- Your contribution is made only once into a single premium immediate annuity (SPIA)
- Ideal funding sources for your contribution are:
  - Non-qualified deferred annuities
  - Qualified retirement funds





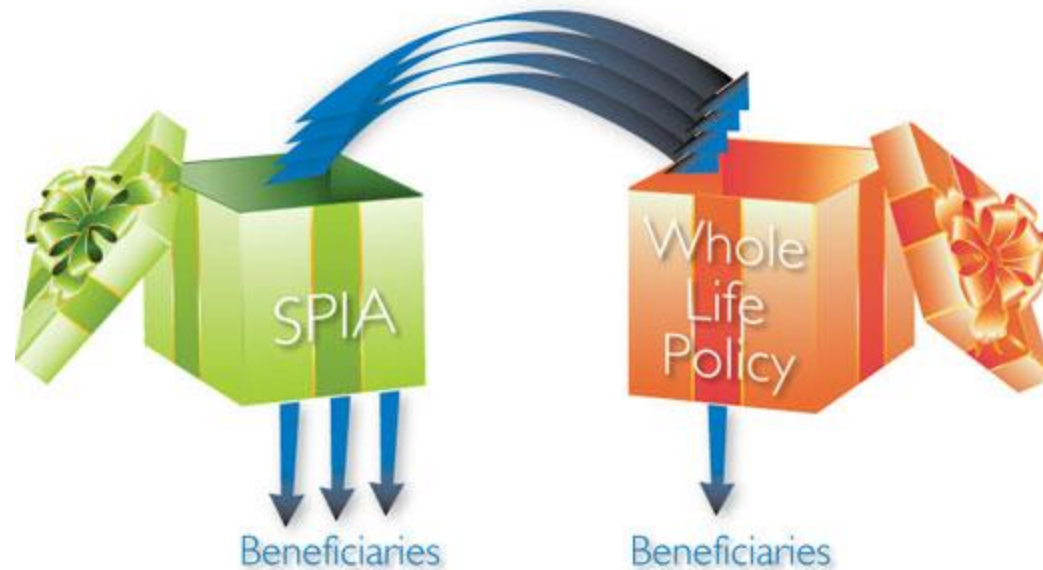
# Generation Legacy

- Annual SPIA payouts pay the annual life insurance premium
- The taxable portion of your contribution is spread over each SPIA payout



# Generation Legacy

- If you die during the SPIA payout period, your beneficiaries will receive the income tax-free death benefit of the life insurance as well as the remaining SPIA payouts\*



*\*Your beneficiaries may elect the commuted value the remaining SPIA payouts in a lump sum. For either option, your beneficiaries are responsible for the taxable portion of the SPIA funds received.*

# Generation Legacy

When all SPIA payouts have occurred, the SPIA ends, the whole life policy is paid up, and the package is complete



# Increase Your Estate with an income tax-free death benefit using Baltimore Life's Generation Legacy!

<b>Male Non-Tobacco User</b>	<b>Non-Qualified Annuity or Other Qualified Plan Assets</b> <small>Paid into a Single Premium Immediate Annuity</small>	<b>Income Tax-Free Death Benefit from a Whole Life policy</b> <small>Premiums directed over 10 years from Single Premium Immediate Annuity to pay up a whole life policy.</small>	<b>Increase in Your Estate Value</b>
<b>Age 60</b>	<b>\$30,000</b>	<b>\$60,011</b>	<b>\$30,011</b>
<b>Age 65</b>	<b>\$30,000</b>	<b>\$50,103</b>	<b>\$20,103</b>
<b>Age 70</b>	<b>\$30,000</b>	<b>\$42,527</b>	<b>\$12,527</b>
<b>Female Non-Tobacco User</b>	<b>Non-Qualified Annuity or Other Qualified Plan Assets</b> <small>Paid into a Single Premium Immediate Annuity</small>	<b>Income Tax-Free Death Benefit from a Whole Life policy</b> <small>Premiums directed over 10 years from Single Premium Immediate Annuity to pay up a whole life policy.</small>	<b>Increase in Your Estate Value</b>
<b>Age 60</b>	<b>\$30,000</b>	<b>\$69,034</b>	<b>\$39,034</b>
<b>Age 65</b>	<b>\$30,000</b>	<b>\$56,401</b>	<b>\$26,401</b>
<b>Age 70</b>	<b>\$30,000</b>	<b>\$50,008</b>	<b>\$20,008</b>

*If death occurs during whole life policy's limited payment period, remaining payments from the SPIA would be paid to the beneficiary.*

# Using funds from a non-qualified annuity to fund Generation Legacy?



## Example:

- Barbara, age 65, a non-tobacco user, has \$30,000 in a non-qualified annuity accumulating tax-deferred. The annuity value represents the original purchase amount (cost basis) of \$20,000 and \$10,000 of accumulated interest (gain) subject to tax when received.
- Barbara intends to pass the money in her annuity as a gift to her grandchildren upon her death, with the tax to be paid on the entire gain at that time.
- By transferring \$30,000 from her annuity to a \$56,401 Generation Legacy policy, she can increase her estate by \$26,401.
- The payout from Barbara's SPIA would be \$3,150. The taxable portion of each payout is \$1,150. Assuming she is in a 24% marginal tax bracket, her tax is estimated to be \$276 for each payout. Had Barbara's annuity been paid at death or surrendered, the entire \$10,000 taxable gain would have been taxable immediately.

Comments here reflect our understanding of the current tax law treatment of this type of product. However, the laws are subject to different interpretations and changes. Our agents do not provide tax advice. Please consult with your tax advisor about this product and your personal situation.

# Receive Your Death Benefit while Living in the event of a catastrophic illness with Generation Legacy!

## Accelerated Death Benefit Options:

- If the event of a terminal illness or permanent confinement to a nursing home facility, extended home health care, or adult day care facility...
  - A percentage of the life insurance death benefit can be accelerated and paid to you as a living benefit\*
  - The portion of death benefit accelerated becomes a lien against the policies death benefit
  - Upon your death, the difference between the policy's death benefit and lien balance will be paid to your beneficiaries

*\*Refer to the rider for complete terms and conditions. Use with Baltimore Life rider Forms 8245, 8247, and state specific variations, where applicable.*



# Receive Your Death Benefit while Living in the event of a catastrophic illness using Generation Legacy!

## Examples of Accelerated Death Benefit Options:

- A Generation Legacy policy offering a \$100,000 life insurance death benefit could provide the following Living Benefit\* options:
- In the event of...
  - Terminal Illness: Maximum Living Benefit = \$75,000
  - Qualified Nursing Home: Maximum Living Benefit = \$50,000
  - Adult Day Care, Home Health Care, and other Qualified Care Facility: Maximum Living Benefit = \$50,000

*\*Refer to the rider for complete terms and conditions. Use with Baltimore Life rider Forms 8245, 8247, and state specific variations, where applicable.*





## Generation Legacy helps you:

- Maximize your estate and gift to your heirs
- Minimize any tax burden to you and your heirs
- Access funds in a financial emergency or catastrophic illness

**Ask your agent how you can qualify!**

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