



PRODUCT GUIDE

ADVANCE WEALTH TRANSFER

SINGLE PREMIUM WHOLE LIFE INSURANCE™

The **SOLUTION** — *Before life presents the problem.*®



Oxford Life Advance Wealth Transfer

A Single-Premium Whole Life Insurance Policy

Oxford Life Advance Wealth Transfer (AWT) is permanent life insurance that guarantees a certain amount of money will be passed on to your chosen heirs at death. By funding a single-premium policy, you will create an increased tax-free death benefit, immediately increasing the value of your estate.

Advance Wealth Transfer provides an opportunity for you to pass on a legacy. This policy allows your heirs to pay off debt, fund college tuition, or fund their retirement. Alternatively, you can leave your death benefit to a charity, church or philanthropic organization, benefiting future generations.

AWT offers the following features:

Guaranteed Death Benefit

When an Advance Wealth Transfer policy is funded, a death benefit is determined at the time the policy is issued, which is guaranteed to never decrease¹. No additional payments are needed to maintain the policy.

Tax-Free Transfer of Wealth

The Oxford Life Advance Wealth Transfer death benefit will pass tax-free to your beneficiary, avoiding probate costs.

Accelerated Benefits

In the case of sickness, up to 75% of the policy's death benefit can be received before death when certain conditions are met. See page 4 for details.¹

Access to Cash

In case of an emergency, funds can be withdrawn with a loan on the policy.²

¹Accelerated benefits and policy loans decrease the death benefit.

²Loan interest applies.

Who Can Benefit from Advance Wealth Transfer

- Those who have money set aside that they intend to pass on to family, a favorite charity or religious organization with no tax or probate consequences
- Those who wish to pay for funeral expenses through the purchase of life insurance
- Those who are looking to eliminate stock market risk or recover losses on stocks or mutual funds suffered in a stock market crash
- Those who have excess money in various savings options such as a savings account, money market fund, or a CD and would like to immediately increase the value of their estate

Life Scenarios – How do you want to be remembered?



Passing on a Legacy

Give the gift of financial security to your loved ones. Advance Wealth Transfer allows you to maximize your estate, ensuring that your loved ones will have a large enough inheritance to be one step ahead.

EXAMPLE: John and Jane Smith have enough monthly income and savings that they would like to leave their children and grandchildren a memorial remembrance gift upon their death. Currently they have excess funds in low yielding savings and high risk investment accounts, which they are also paying taxes on. By reallocating \$50,000 of these excess funds to an Advance Wealth Transfer policy, John and Jane are able to generate a \$100,960 Death Benefit¹ to pass on tax free without the costs of probate.



Reallocating Personal Assets – Risk Reduction

Single-Premium Life is a useful tool to reduce risk – while growing your legacy. An AWT policy allows you to avoid market risks while increasing your estate. And with only a single payment, your death benefit is guaranteed to remain the same, less any loans or accelerated payments.

EXAMPLE: Tom and Mary Jones had previously purchased both universal life and variable life policies. Because Tom lost his job, they are unable to pay the premiums and the policies are currently underfunded and are at risk of going into default. Tom and Mary may lose their life insurance coverage before their actual death.

Guarantees included in the Advance Wealth Transfer policy will allow Tom and Mary to escape this situation. A tax-free transfer of the cash value of their existing policies to an Advance Wealth Transfer policy would allow them to get out of their underfunded policies. This can also provide a cost savings of no longer having to make premium payments.

In addition, Tom and Mary have investments which have suffered losses that are more extreme than their current risk tolerance. Advance Wealth Transfer can take them out of a volatile market and possibly make up for any investment loss with an immediate increase in estate value through the death benefit offered by a life insurance policy.

Funding Funeral Expenses

Did you know that the average cost of a funeral – not counting the cemetery plot, headstone, flowers, or other final expenses such as paramedic expenses, ambulance costs, Medicare deductibles and unpaid debts—is \$7,755?² Advance Wealth Transfer can help to cover all of your final expenses.

EXAMPLE: Bob and Maria Green have money set aside for their final expenses in their bank's taxable savings account. Through the Oxford Life Advance Wealth Transfer, the Greens can move these funds to purchase a \$20,000 single-premium life insurance policy. Their funds will be amplified and available at the time they need them as an income tax-free death benefit.



¹60 year old, non-tobacco female. KY Rates not shown.

²Average is quoted is from the 2010 National Funeral Directors Association General Price List Survey. This amount has likely increased due to inflation and other factors.

Accelerated Death Benefits¹

If you encounter an illness later in life, rest assured that you will have access to funds placed in your Oxford Life Advance Wealth Transfer policy. Advance Wealth Transfer offers accelerated death benefits to help offset the expense from terminal illness, nursing home care, home health care, or chronic illness at no additional cost. Payments are made directly to you to cover qualified expenses. Up to 75% of the death benefit, not to exceed \$100,000 can be used to cover these expenses.

If you are fortunate enough never to need an accelerated benefit, the Oxford Life Advance Wealth Transfer death benefit will pass unreduced to your beneficiaries.

Examples of maximum accelerated benefits are set out in the table below.

Death Benefit [‡]	Maximum Accelerated Benefit	% of Death Benefit Paid	Death Benefit after Acceleration
\$250,000	\$100,000	40%	\$150,000
\$100,000	\$75,000	75%	\$25,000
\$40,000	\$30,000	75%	\$10,000
\$20,000	\$10,000	50%	\$10,000

[‡] \$20,000 is the minimum death benefit that may be issued. A minimum death benefit of \$10,000 must remain after accelerated benefits are paid.



NOTE: The Accelerated Benefits provided in the Oxford Life Advance Wealth Transfer policy are not long-term care insurance. Death benefits, cash values, and loan values will be reduced upon payment of an accelerated benefit. The accelerated benefits payable under this policy are intended to conform to Internal Revenue Code of 1986 and are usually tax-free. However, accelerated benefit payments may be taxable by your state.

You should consult a qualified tax advisor for specific information.

Receipt of an accelerated benefit payment may adversely affect you, your spouse, or your family's eligibility for public assistance programs. Consult a qualified advisor to see how you would be affected.

¹ Accelerated Death Benefits vary by state and availability.

² AR, AZ, DE, DC, ND require 90 consecutive days in a nursing facility to obtain benefit.

³ SD not eligible for monthly benefits, but is eligible for a lump sum not exceeding \$40,000. If Nursing Home confinement begins before the 5th anniversary, the lump sum shall not exceed 10% of the Death Benefit. If Nursing Home confinement begins after the 5th anniversary, the lump sum shall not exceed 40% of the Death Benefit.

⁴ Chronic Illness – A disease or illness, certified by a physician, such that the insured a) is unable to perform at least two activities of daily living (eating, toileting, transferring, bathing, dressing and continence) due to a loss of functional capacity or b) requires substantial supervision to protect the person from threats to health and safety because of severe cognitive impairment (measured by impairment in short or long term memory, orientation to people, places, or time, and deductive or abstract reasoning).

Terminal Illness Benefit

If you are diagnosed as terminally ill (defined as having a life expectancy of less than 12 months), then you are eligible to receive the terminal illness benefit. The terminal illness benefit can be any amount up to 75% of your death benefit, not to exceed \$100,000.

Nursing Home Benefit

(Not Available in CA, CT, FL)

If you are confined to a nursing home and are expected to remain there for the rest of your life², you are eligible to a monthly³ benefit determined by the number of years the policy has been in effect prior to the benefit claim.

If the policy has been in force **LESS THAN 5 YEARS...** The monthly benefit is equal to 1% of the death benefit (subject to a maximum of \$4,000 per month).

If the policy has been in force **5 YEARS OR LONGER...** The monthly benefit is equal to 3% of the death benefit (subject to a maximum of \$4,000 per month).

Chronic Illness Benefit

(Not Available in AR, AZ, DE, DC, CA, FL, ND)

If you have a chronic illness⁴, you are eligible to receive a monthly benefit equal to the lesser of \$2,000 or 1% of the death benefit.

Home Health Care Benefit

(Available only in AR, AZ, DE, DC, ND)

If you are diagnosed as having a chronic illness⁴ and have been receiving home health care for a period of 90 consecutive days or more, you are eligible to receive a monthly benefit of 1% of the death benefit (subject to a maximum of \$2,000 per month).

Oxford Life Advance Wealth Transfer

Compared to Traditional Investments

Whole Life insurance offers several distinct advantages over traditional investments. See the chart below to see the advantages Advance Wealth Transfer has over annuities, CDs, money market funds and stocks.

BENEFIT	AWT	ANNUITY	CD/MM	STOCKS
Income Tax-Free Death Benefit	Yes	No	No	No
Tax-Deferred Accumulation	Yes	Yes	No	No
Immediate Estate Increase	Yes	No	No	No
Avoids Market Risk	Yes	Sometimes	Yes	No
Avoids Probate Costs	Yes	Yes	No	No
Guaranteed Values	Yes	Yes	Yes	No

Compared to a Taxable CD

Certificates of deposit are one of today's most popular investments. However, there are several disadvantages to CDs that can be overcome with an AWT policy. AWT not only avoids probate taxes, but offers an immediate increase to your estate. As you can see in the example below, AWT offers a greater death benefit to your beneficiaries immediately, maximizing your after-tax death benefit from day one.

Jane, age 60, has \$50,000 to pass on to her heirs. Here's what would happen if she placed her money in either a 2.5% CD or an AWT Policy:

Year	CD	AWT
	Available to Heirs Net of Income Tax	Guaranteed Death Benefit Paid to Heirs Income Tax-Free
1	\$50,900	\$100,960
5	\$54,665	\$100,960
10	\$59,765	\$100,960
15	\$65,341	\$100,960
20	\$71,437	\$100,960
25	\$78,102	\$100,960
30	\$85,389	\$100,960

For demonstration purposes only. Interest is approximated on a daily compounded basis. Bank CD rates can vary over time.

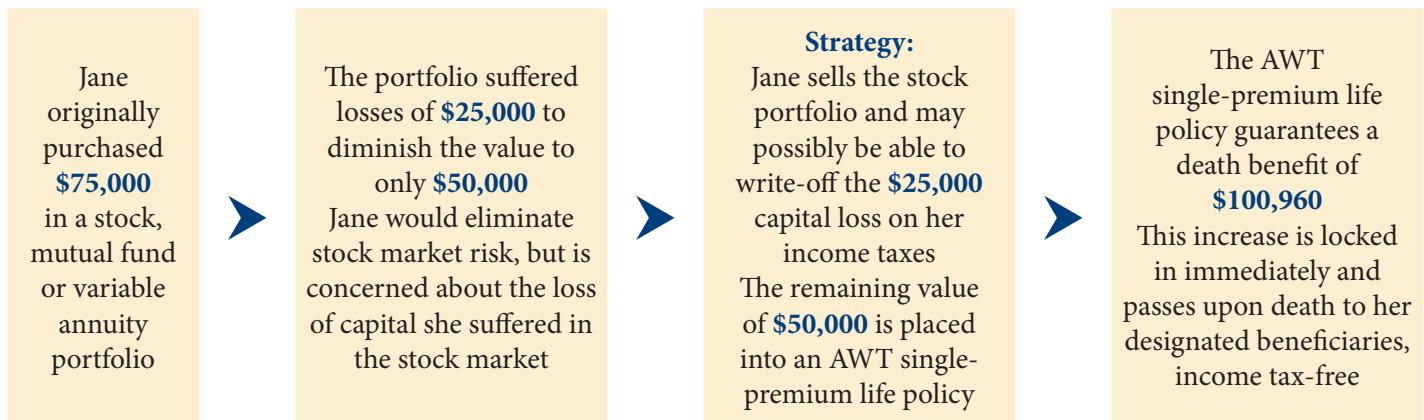


AWT rates as of 01/01/2013. All scenarios are for a 60 year old female, non-tobacco. KY rates are not shown above and are available upon request.

Wealth Transfer Strategies

Strategy: Reduce Market Risk and Increase Your Estate

An Oxford Life Advance Wealth Transfer policy may help you recoup losses that were suffered during a stock market crash, while eliminating stock market risk



Strategy: Increase Financial Liquidity

Oxford Life Advance Wealth Transfer can free up valuable dollars while still accomplishing your goal of leaving assets to your loved ones



AWT rates as of 01/01/2013. All scenarios are for a 60 year old female, non-tobacco. KY rates are not shown above and are available upon request.

Financial Strength

Oxford Life Insurance Company® maintains financial strength measures that exceed the highest industry standards and is recognized for its financial strength by independent third party industry experts including:



A prestigious award from the Ward Group®, Ward's 50 highlights the top 50 life insurance companies out of over 800 for their financial strength. Oxford Life® has been included in the Ward's 50 for outstanding financial achievement in safety, consistency, and performance in 2010, 2011, and 2012.



A.M. Best, an independent rating organization for insurance companies, assigns financial strength ratings. Oxford Life has received a financial strength rating of B++ (Good). According to A.M. Best, performance in 2011 merited a Financial Strength Rating Outlook increase from Stable to Positive.

Product Specifications

Issue ages: 50 through 85 determined by age at last birthday

Minimum Death Benefit: \$20,000

Maximum Death Benefit: Based on issue age, gender, and tobacco class

Policy Fee: \$90

Free-look Period: 30-day penalty-free cancellation period from the date of policy receipt

Loans: May not exceed cash value of the policy

Modified Endowment Contract (MEC): AWT is issued as a MEC. Surrender of the policy or policy loans may be taxable – consult a tax advisor

Cash Value Interest Rate: 5%¹



¹The net annual growth in cash values will be less than 5% due to deductions for mortality expenses. Cash values based on 2001 CSO Mortality Table.



Oxford Life Insurance Company® (Oxford Life®) was founded in the Grand Canyon state of Arizona in 1965 and is committed to providing value-enhanced financial products that meet the needs and promote the financial security of seniors. We understand that saving our policyholders' time and money differentiates us from other insurance carriers. We value your business and look forward to providing you with the best service in the industry.

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Neither Oxford Life Insurance Company, nor its affiliates, nor any of its representatives may provide tax or legal advice. You should consult a tax advisor or legal counsel for specific advice and information regarding your individual situation. Oxford Life Advance Wealth Transfer is issued by Oxford Life Insurance Company. For explanatory purposes of this brochure, the owner and policyholder are assumed to be the same individual. If withdrawals and other distributions are taken prior to age 59½, a 10% federal tax penalty may apply. This policy is considered a Modified Endowment Contract (MEC). Withdrawals and loans on a MEC are considered taxable to the extent that there is a gain on the contract. Other distributions, including death benefit payouts, may also be subject to ordinary income tax. The policy is guaranteed to remain in-force to maturity age of 121, at which time the net cash value will be paid. Oxford Life assumes the investment risk and guarantees payment, subject to its claim-paying ability. Death benefits and cash values will be reduced upon payment of an accelerated death benefit. Not insured by FDIC/NCUA or any federal government agency. A comprehensive description of the policy benefits, cost, exclusions, limitations, and terms is available to you upon request. This product is not available in all states.

This guide is not a contract and descriptions of the policy provisions are only partial. Exclusions and limitations may vary by state. For use with Oxford Life policy forms SPWL500, rider forms ADB-NHR and ADB-CIR, and state-specific variations where applicable.



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