February 20, 2013

Changes to Aviva Survivorship Builder

Due to the continued low interest rate environment and the recent tax changes in relation to estate planning, the No-Lapse Guarantee rider will no longer be available for purchase with the Aviva Survivorship Builder after **March 1, 2013**.

Web-based versions of our illustration software will be updated effective March 1, 2013 to remove the NLG rider for new business on Survivorship Builder. The remote system update on February 28 for desktop users will also reflect this product change.

In addition, we will **restore Survivorship Builder commission rates** on cash contracts to pre January 1, 2013 levels. Applications signed after March 1, 2013 will receive the new commission rate.

**Transition Guidelines**

- Applications with an illustration indicating No-Lapse Guarantee on Survivorship Builder must be signed on or before **March 1, 2013**. Please keep in mind, the premium limit is $300,000 for NLG policies.

- A Survivorship Builder application and illustration must be received by Aviva on or before **March 8, 2013**.

- All Underwriting and Administrative Requirements must be received and in good order on or before **March 29, 2013**.
  - All pending Survivorship Builder applications with outstanding underwriting and administrative requirements after March 29 will require a new illustration excluding NLG rider from Survivorship Builder. No exceptions.

- Policy must be issue paid by **April 30, 2013** or UW approved with 1035 initiated by **April 30, 2013** in order to receive the NLG rider on Survivorship Builder.

**Please note: Commission schedules will be updated by March 15, 2013.**

For additional illustrations on previously submitted Survivorship Builder NLG cases, please call Distribution Services at 1-800-800-9882, ext. 2396.

*Continued*
New Survivorship Builder Sales Opportunities

Aviva Survivorship Builder was designed to open new sales opportunities for you in the areas of multi-generation planning, first death asset transfer, non-related business partner planning, same gender insureds, blended families, supplemental retirement income and more.

Recent tax law changes have created new Survivorship Builder sales opportunities. The Tax Policy Center projects that only 2 out of 1,000 estates will pay any estate tax.¹ Many families no longer need to use an irrevocable life insurance trust so the death benefit isn’t subject to estate tax.

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**Advantages of Aviva Survivorship Builder**

- Your client can enjoy the flexibility of Survivorship Builder – cash accumulation **during** their life and a death benefit for their family.

- Clients with high income can use Survivorship Builder to manage their income tax liability if they own it personally or in their revocable trust.

- Life insurance cash value growth is not subject to income tax and is not included in either the Medicare surtax income threshold or net investment income. It can be accessed with loans and withdrawals without income tax consequences if the policy is not a modified endowment contract and is not surrendered or lapsed with outstanding loans.

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¹Source: Tax Policy Center Table T11-0156

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