

## VIRTUS PROTECTION IUL

# Built for the flexibility of life

Whether you're planning for personal goals or business goals — the uncertainties of life can feel daunting.

Being prepared and having a plan in place can certainly help bring peace of mind, especially where finances are concerned. Life insurance can help.

A life insurance policy's death benefit proceeds provide an income tax-free, lump-sum payout when you pass away.<sup>1</sup> It can be used any way your beneficiary sees fit. It can keep your child's plans for college on track, help your spouse maintain their lifestyle and independence — or ensure the continuation of your business as part of a buy-sell agreement.

But what if you could get more than just death benefit protection? You might be surprised to know that the same policy that provides death benefit protection can also help you during your lifetime.

## Understanding policy loans

If you decide to tap into your policy with a loan, the amount of money you're able to borrow is directly connected to your policy's cash surrender value. The higher the cash surrender value, the more you can access in loans. But account values are never removed from your policy to fund the loan. Instead, your policy's cash surrender value is used as collateral to secure your loan.

Any policy value serving as collateral for loans—including accrued interest charges—cannot be used to cover policy expenses. At any given time, there must be enough money in your policy value to cover policy expenses and back any loans you've taken against your policy.

This is why it is important to repay policy loans. When you make loan repayments, your loan balance decreases, releasing those dollars for other uses—such as paying monthly policy expenses—to keep your policy in force.

## Virtus Protection Indexed Universal Life: More than just a death benefit

Life is great at throwing curveballs, but this is where a Virtus Protection Indexed Universal Life (IUL) insurance policy can shine. Whether your financial goal is personal or business-related, Virtus Protection IUL can provide affordable death benefit protection and the potential to generate cash value, which can help meet a range of needs during your lifetime.

Unlike other types of permanent life insurance, Virtus Protection IUL allows you to adjust your premium payments, which can provide flexibility as your needs and resources change. And its variety of optional riders and built-in features offer an added layer of financial support if you ever need a loan or experience a total disability or a chronic illness.

### Access to cash value

Suppose you encounter a bill from an emergency room visit or any other major expense. More than half of U.S. adults say they could not afford a \$1,000 emergency expense, according to a 2025 survey.<sup>2</sup> An unexpected ER visit or hospital stay might cost twice, five or even ten times that much. One of the most valuable living benefits is the ability to access a portion of your accumulated account value through tax-free policy loans.<sup>1</sup>

Virtus Protection IUL gives you the option of choosing between two loan types to best meet your needs and risk tolerance: a **Standard Loan** or an **Index Loan**. Both are charged the same variable interest rate, but they differ in how interest accumulates for the policy values used as collateral. Please refer to "Your guide to understanding policy loans" (Form 2983LMP) for more information.

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## Additional lifetime benefits

Did you know that each year around 5% of working Americans will experience a short-term disability (six months or less) due to illness, injury, or pregnancy?<sup>3</sup> Don't let disability or a major illness derail your plans for protecting your family or business.

### Waiver of Premium for Total Disability Rider

In the event of total disability, the Waiver of Premium for Total Disability Rider will cover your policy's premium payments, ensuring that your protection stays in place, preventing disability from disrupting your financial goals.

### Accelerated Benefit Rider

Similarly, if you become chronically or terminally ill, the optional Accelerated Benefit Rider for chronic and terminal illnesses can turn part of your death benefit into a living benefit for you to use when and how you see fit. That means you have cash for medical care, home modifications or in-home care should you ever need it.

No matter where life takes you, Virtus Protection IUL is capable of meeting life's unexpected challenges. Your financial professional can help you develop a plan to meet your needs.

For purposes of this brochure, "you" means owner of the policy who is also the insured. Consult your financial professional for other situations.

<sup>1</sup> Life insurance proceeds are income tax-free when properly structured. Loans from life insurance policies that are not classified as modified endowment contracts are generally not subject to tax but may be taxable if the policy lapses, is surrendered, exchanged or otherwise terminated. In the case of modified endowment contracts, loans are taxable to the extent of policy gain and an additional 10% federal tax may apply if taken prior to age 59½. Consult your tax advisor on whether policy loans may be taxable in your particular situation. Income tax-free death benefits and loans apply to Federal taxes only. Loans and withdrawals, if taken, reduce the death benefit. Because loans act as a negative premium for purpose of the No Lapse Guarantee feature of the policy, surrenders and loans against the policy's cash value may result in the termination of the No Lapse Guarantee. See the client guide for details.

<sup>2</sup> Bankrate's 2025 annual emergency savings report, November 19, 2025, <https://www.bankrate.com/banking/savings/emergency-savings-report/>

<sup>3</sup> DisabilityCanHappen.org; Integrated Benefits Institute, IBI Benchmarking Analytics Series: Which Diagnoses Drive STD Incidence, Costs and Lost Time? <https://www.ibiweb.org/which-diagnoses-drive-std/>

The purchase of an indexed universal life insurance policy is a long-term commitment and is subject to underwriting approval. Life insurance policies contain exclusions, limitations, reduction of benefits and terms under which the policy may be continued in force or discontinued. For complete details of coverage, contact the company for

additional information. Before purchasing any indexed universal life insurance policy, you should request a policy illustration and carefully compare both the guaranteed and non-guaranteed elements.

The optional Accelerated Benefit Rider provides for a partial acceleration of the policy death benefit in the event that the base policy insured is certified by a licensed physician as being chronically ill or terminally ill. By taking an accelerated death benefit payment, a lien is created against the policy death benefit. The lien accrues carrying charges at an adjustable rate we declare. The lien, including the lien carrying charges, will be deducted from the total death benefit otherwise payable to the policy beneficiary(ies) and will reduce the cash value available for policy loans, surrenders, or the exercise of any non-forfeiture option. The required premium for the policy must still be paid even if an accelerated death benefit is taken. If an accelerated benefit is taken and the policy lapses or otherwise terminates, a taxable event may occur.

Any accelerated benefit you elect to take under this rider may be taxable. Consult your tax advisor on all tax matters. Adding the rider to a life insurance policy or the taking of rider benefits may affect eligibility for certain public assistance programs and government benefits.

The Accelerated Benefit Rider is not designed to be a substitute for longterm care insurance, health insurance, or nursing home insurance. Rider benefits and features may vary by state.

Products issued by AuguStar Life Insurance Company, member of Constellation Insurance, Inc. family of companies. Product, product features and rider availability vary by state. Guarantees are based on the claims-paying ability of the issuer. Issuer not licensed to do business in New York.