

Case Scenario

Splitting a Joint First-to-Die Policy After Separation



Client: Thomas, 48, and Caroline, 45

Insurance Needs

Thomas, 48, and Caroline, 45, have been married for over 10 years and purchased a \$500,000 joint first-to-die FlexTerm when they bought their home eight years ago. Now, as they take legal steps towards divorce, they want to ensure that each of them is financially protected as they pursue new, independent goals.

Eligibility

With their divorce underway, Thomas and Caroline are eligible to **split their joint first-to-die policy** into two individual FlexTerm policies.

- Each can retain **up to 100% of the original coverage amount**
- **No proof of insurability required**
- Premiums are based on **original issue ages**, not their current ages at the time of separation.

Tailored Solution

Both Thomas and Caroline choose to keep the full \$500,000 of coverage. Thanks to the policy split feature, their individual premiums are based on the original underwriting ages:

- Caroline's new premium, calculated at age 37: **\$39.15 per month**
- Thomas' new premium, calculated at age 40: **\$67.05 per month**

Why Joint Coverage with Assumption Life?

✓ Cost Efficiency

Joint first-to-die policies generally offer lower premiums than two individual plans, making them a cost-effective option for couples or business partners.

✓ Shared Financial Protection

Ideal for covering shared debt – like a mortgage, loan, or business obligation—in the event of one insured's passing.

✓ Separation Flexibility

If the relationship ends – personal or business – the policy can be split into two individual policies, with each insured retaining up to 100% of the original coverage, no proof of insurability required.

Contact your advisor today to explore how Assumption Life's flexible solutions can work for you.