

VOYA IUL-GLOBAL, IUL-GLOBAL PLUS & IUL-GLOBAL CHOICE AUTOMATED REPETITIVE DISTRIBUTION REQUEST FREQUENTLY ASKED QUESTIONS



This document is not intended to be a complete explanation of your policy loan, which must be consulted for restrictions, definitions and details. The Voya Life Companies and their agents do not give tax or legal advice.

What types of loans are available?

The IUL-Global Choice and IUL-Global Plus policy offers you two types of loans: Traditional Loans or Select Loans. With a Traditional Loan, amounts borrowed are subtracted from the Fixed or Indexed Strategy and added to a Policy Loan Account. With a Select Loan, amounts borrowed from the policy are added to the Loan Amount, but are not subtracted from the Fixed or Indexed Strategy. IUL-Global offers Traditional Loans only.

Additionally, the IUL-Global Choice and IUL-Global Plus policy allows you to use Net Loans to pay a portion of your policy premiums. This approach allows you to take a loan in conjunction with a premium payment, while crediting your policy with both the premium submitted and the new loan amount. Once the Net Loan is processed and is on the policy, it acts just like the Traditional or Select Loan. Net Loans are not available with IUL-Global policies.

Please refer to Part I, Page 2 for more details.

Am I charged interest on my policy loans? If so, how much?

Traditional Loans: The current loan interest rate charged at issue is 2.75% per year, due and payable at the end of each policy year. The guaranteed maximum Loan Interest rate charged is 3.00% in policy years 1-10 and 2.15% thereafter. If Loan Interest is not paid when due, it is added to the Loan Amount. The guaranteed minimum interest rate credited to the Policy Loan Account is 2.00%.

Select Loans: The guaranteed maximum Loan Interest charged on the Loan Amount is 6.00% per year, regardless of the Index Credits earned and/or the credited interest rates. If the Index Credits earned and/or the credited interest rates are less than 6.00%, the account value may be less than projected and the policy could lapse without additional premium or Loan Interest payments. Select Loans have the risk that policy performance may be lower than illustrated if the amount credited to the Account Value in the Fixed Strategy and/or Indexed Strategy is less than the fixed 6% interest charged on the policy loan.

With Select Loans the result of having a policy loan varies depending on the Index Credits earned and/or credited interest rates and if you pay Loan Interest in cash or allow it to accrue. For example, if the account value grows over time at an annualized average of 9.00%, the cost of Select Loans is a net gain of 3.00% (9.00% earned rate less 6.00% charged rate). On the other hand, if the account value grows over time at an annual rate of 1.00%, the net cost of Select Loans is 5.00% (6.00% charged rate less 1.00% earned rate). This is a hypothetical example and not intended to represent the actual financial impact of Select Loans.

How will a policy loan affect my policy?

Policy loans and partial withdrawals may vary by state, reduce available surrender value and death benefit or cause the policy to lapse. Generally, policy loans and partial withdrawals will not be income taxable if there is a withdrawal to the cost basis (usually premiums paid), followed by policy loans (but only if the policy qualifies as life insurance, is not a modified endowment contract and is not lapsed or surrendered).

What factors impact your account value with Select Loans?

With Select Loans, the policy owner assumes the risk that the Index Credit added to maturing Blocks may not offset the Loan Interest due of 6.00% per year.

For Select Loans, the impact to the Account Value due to a policy loan is dependent upon a number of factors.

1. Where the policy owner elects to place the net premium: Fixed Strategy and/or Indexed Strategy.
2. The Fixed Strategy current declared rate, if applicable.
3. The Index Credit added to maturing Blocks of the Indexed Strategy, if applicable.
4. Whether Loan Interest due is paid or if it is added to the Loan Amount.

Where can I access additional information about policy distributions?

For additional information about loans and other policy distributions, please contact your agent or Voya IMPACT (Insurance Management, Performance and Communication Team) at 866-874-7570. You may also request illustrations to compare the hypothetical, non-guaranteed effect of various types of distributions.

Distribution information is included on your policy's annual statement, including a summary of the balances of Traditional and/or Select Loans as of the policy anniversary date.

What if I want a one time distribution?

Taking a one time distribution from your policy requires a separate form. Please contact your agent or Voya IMPACT at 866-874-7570 for a loan request form. IUL-Global Choice policies will use form 164911, IUL-Global Plus policies use form 156706 and IUL-Global policies use form 131457.

Can I take a one-time distribution while I am receiving repetitive distributions?

Whether such a distribution may be taken in conjunction with on-going repetitive distributions will depend on facts and circumstances specific to your policy. Please contact your agent or Voya IMPACT at 866-874-7570 for further assistance.

What if I want to change or suspend my repetitive distribution for a period of time?

Please contact your agent or Voya IMPACT at 866-874-7570 for further assistance.

How do I change my bank account information for EFT?

Please contact your agent or Voya IMPACT at 866-874-7570 for further assistance.

Should I take out a partial withdrawal or a policy loan?

The advantages and disadvantages of taking partial withdrawals versus policy loans will depend on many different factors including the policy's surrender value, the policy's cost basis, the age of the insured, and whether premiums have been contributed to the Fixed or Indexed Strategy. Please contact your agent or Voya IMPACT at 866-874-7570.

How are IUL-Global, IUL-Global Choice and IUL-Global Plus policy distributions taxed and what is cost basis?

A portion of the policy's surrender value may be available as a source of supplemental retirement income through policy loans and partial withdrawals. Policy loans and partial withdrawals may vary by state, reduce available surrender value and death benefit or cause the policy to lapse. Generally, policy loans and partial withdrawals will not be income taxable if there is a withdrawal to the cost basis (usually premiums paid), followed by policy loans (but only if the policy qualifies as life insurance, is not a modified endowment contract and is not lapsed or surrendered). For further assistance please contact your attorney or tax advisor.

Why can't I request an automated distribution if my policy is a Modified Endowment Contract?

Certain life insurance policies are considered Modified Endowment Contracts ("MECs"). Distributions (withdrawals or policy loans) from life insurance policies treated as MECs under Section 7702A of the Internal Revenue Code are subject to less favorable tax treatment than distributions from policies that are not MECs. If the policy is a MEC, distributions will be taxable to the extent there is any gain in the policy. In addition, if the policy owner is under age 59 1/2 or is a corporation at the time of the distribution, there is a penalty tax of 10% on the taxable amount. Without regard to whether a policy is a MEC, a gain in the policy is taxable on full surrender of the policy. For further assistance please contact your attorney or tax advisor.

Will this form suit my needs for every distribution situation?

This form is not suitable for every distribution situation. Please contact your agent or Voya IMPACT at 866-874-7570 for further assistance.