

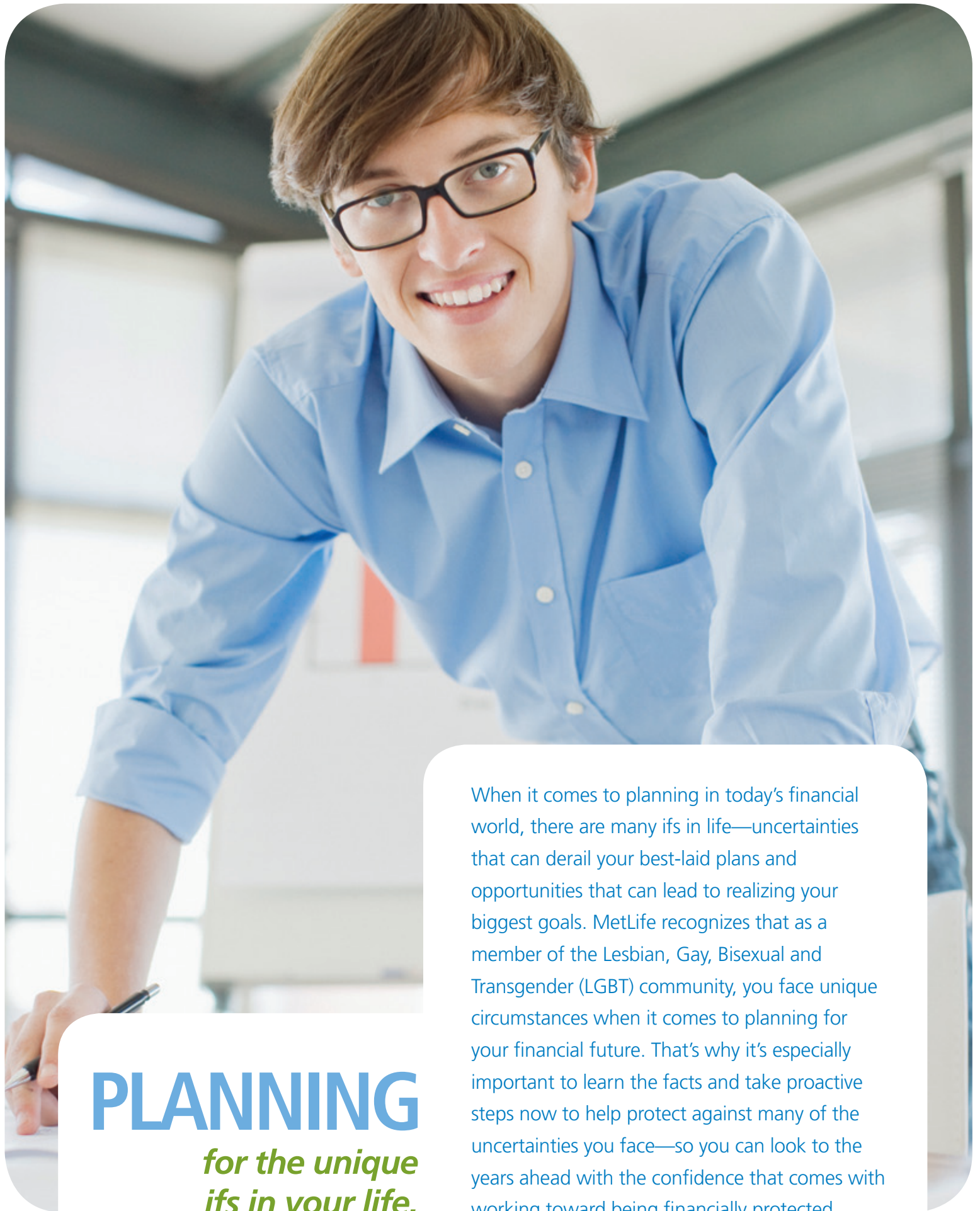
# Financial Strategies for the LGBT Community



**MetLife**



planning with **PRIDE**



# PLANNING

*for the unique  
ifs in your life.*

When it comes to planning in today's financial world, there are many ifs in life—uncertainties that can derail your best-laid plans and opportunities that can lead to realizing your biggest goals. MetLife recognizes that as a member of the Lesbian, Gay, Bisexual and Transgender (LGBT) community, you face unique circumstances when it comes to planning for your financial future. That's why it's especially important to learn the facts and take proactive steps now to help protect against many of the uncertainties you face—so you can look to the years ahead with the confidence that comes with working toward being financially protected.

# why start planning now?

Without careful planning for the uncertainties in your life, your most passionate wishes for yourself and those who matter the most to you may not be secured.

One clear example of this for the LGBT community community has to do with marriage. While the legal landscape is rapidly changing, the federal government and most states still do not recognize same-sex couples as legally married. This makes Social Security survivor and spousal benefits, as well as certain estate and income tax advantages unavailable to same-sex couples.

Beyond marriage, you need to consider many other important rights, directives and financial strategies that may be critical to assuring that your loved ones receive the legacy you intend for them, and that your wishes regarding health care decisions are honored.



## start here

To help you plan for the future, use the information and worksheet in this booklet to consider key areas including estate, health care and retirement planning that require your attention. Working with financial, legal and tax professionals, you can map out a course that will help ensure financial protection for you and your loved ones.

Whether you are single, in a committed relationship or are a parent, MetLife's goal is to help you plan and prepare with confidence and pride for the ifs in your life.

### Three "ifs" to Consider When Creating A Plan for the Future

- **ESTATE PLANNING:**  
If I can pass on a legacy to my loved ones Page 2
- **PROTECTION PLANNING:**  
If we're prepared for whatever the future holds Page 4
- **RETIREMENT PLANNING:**  
If we can enjoy financial freedom in retirement Page 5



# ESTATE PLANNING

*If I don't make decisions for myself, someone else might make them for me.*

## DID YOU KNOW?

Many people do not think of themselves as having an estate, but all of us do. The word "estate" means everything you own, including your personal belongings and real estate. Whether your assets are large or small, only planning can ensure they are directed as you wish if something happens to you. Without proper planning, the rules determining who gets your assets at the time of your death are governed by the state and may be unfavorable for couples who are not legally married.

Additionally, while it's difficult to think about, there may come a time when you are unable to care for yourself, or to communicate your wishes about health care, medical treatment and your financial assets. That's why it's critical to help ensure the right solutions are in place while you're healthy.



**I**F I want my partner to inherit my estate in an efficient way.

## WHAT YOU CAN DO

As an LGBT individual or couple, it's particularly important to work with an attorney to document your wishes and identify someone you trust to speak for you. Your attorney can also help you develop an estate plan that addresses your unique needs so your assets are distributed as you wish. Consider these estate planning tools, which can help you and your partner preserve assets, transfer your wealth to your intended heirs, potentially minimize taxes and ensure that you and your loved ones are cared for in the manner of your choosing.

### ✓ Develop a Will

Should you die without a will, the laws of the state in which you live will determine who your heirs are and how your assets will be distributed, regardless of your wishes. For unmarried partners, this means your assets may not be distributed according to you or your partner's wishes if something should happen to you. To ensure your estate goes to your intended beneficiaries, create a will.

### ✓ Name a Guardian

If you have children, and if something happens to you or your partner, you'll want to ensure that your children are raised by the person of your choosing. This is critical for couples when one partner may not be recognized as the legal guardian, as in the case of adoption with only one legally recognized parent.

### ✓ Create a Durable Power of Attorney and Health Care Proxy

In the event you become incapacitated, a Durable Power of Attorney permits the named agent to act on your behalf, typically with respect to financial decisions. The agent named in your Health Care Proxy can make health care decisions for you in the event of your incapacity.



✔ **Develop a Priority of Visitation Document**

Even with the April 2010 signing of a presidential executive order granting gay and lesbian visitation rights if their partner is in the hospital, a Priority of Visitation document is important to domestic partner relationships. In the event of hospitalization, it allows you to name the people you want to have visit you.

✔ **Get an Advance Health Care Directive or Living Will**

If you are ever seriously injured or incapacitated, you may be unable to make medical decisions about your care. An Advance Health Care Directive or Living Will allows you to specify the particular treatments you would like to have provided or withheld.

✔ **Consider Creating and Funding a Living Trust**

It's important you have in place legal direction on how you want things handled both during your lifetime and at your death. A living trust can do just that. This living trust can be used to transfer assets at your death, and assets owned by the trust avoid probate. Plus, with a revocable living trust, you can designate yourself the trustee, access the trust assets during your life and elect your partner as the successor trustee.

✔ **Look into an Irrevocable Life Insurance Trust (ILIT)**

If you own a life insurance policy and you want to exempt the policy from your estate's total worth for estate tax purposes, consider using an Irrevocable Life Insurance Trust (ILIT)\*. For more affluent individuals, this life insurance can provide liquidity needed to pay taxes and other expenses at death.

**IF** my health  
care decisions  
will be honored.



\*If a donor gives away or releases any incident of ownership in an existing life insurance policy, the entire death benefit will be pulled back into his/her taxable gross estate if death occurs within three years of making the transfer.

# PROTECTION PLANNING

*If we can be prepared for the future—no matter what.*

## DID YOU KNOW?

Planning for the future means preparing for the unexpected. Putting the right protection in place can help you and your loved ones maintain your standard of living if something should happen to you.

## WHAT YOU CAN DO

There are a number of protection tools you can use to safeguard the financial well-being of you, your partner and loved ones. Talk to your financial representative about these solutions to get a better understanding of which options will best meet your unique needs.

### ✓ **Think About Life Insurance**

Life insurance generally provides an income tax-free financial cushion for your loved ones should something happen to you. These proceeds can help your loved ones replace lost income, pay off outstanding debts and fund higher education.

### ✓ **Look into Disability Income Insurance**

Disability income insurance can help replace a portion of your income should you suffer an illness or injury that prevents you from working. These benefits can help you maintain your standard of living in the event of disability and help protect the money you're saving for retirement.

### ✓ **Consider Long-Term Care Insurance**

Living longer has benefits and challenges, specifically the potential need for long-term care. Long-term care insurance can provide benefits for services needed by people with chronic illnesses or impairments who require ongoing assistance with daily activities. Your financial professional can help you implement a strategy to protect you and your loved ones from the enormous expenses often associated with long-term care.

**I**F we can maintain our standard of living—regardless of what the future holds.



# RETIREMENT PLANNING

*If I can live my life without outliving my assets.*

## DID YOU KNOW?

When it comes to retirement, most Americans generate income from three main sources—Social Security, an employer-sponsored retirement plan and personal savings. Since federal law does not recognize civil unions, same-sex marriage or domestic partnerships, same-sex partners cannot take advantage of Social Security's spousal or survivor benefit programs. Therefore, securing supplemental income sources in retirement becomes increasingly important to your family's financial future.

## WHAT YOU CAN DO

Not only is it important to take steps to safeguard your income while you're working, but also to create and protect income for retirement. Here are some important steps to consider and discuss with your financial representative:

### ✓ Review your retirement plans at work

If you participate in a defined contribution retirement plan at work, such as a 401(k) or 403(b), consider designating your partner as your beneficiary. If your company offers a defined benefit plan (the plan's formula specifies the amount you'll receive at retirement), your partner may not be entitled to the same benefits a spouse might receive. A defined benefit pension plan is typically financed entirely by the employer and, if you were to die before receiving benefits, may not provide for your surviving partner at all.

### ✓ Consider the benefit of cash value life insurance

Although the primary purpose of life insurance is to provide death benefit protection to beneficiaries, there are other potential benefits. Properly structured cash value life insurance can provide tax-favored withdrawals or loans\* to supplement your retirement income needs, while still protecting your loved ones with an income tax-free death benefit.

### ✓ Take extra measures to plan for your retirement

Consider investing in savings and lifetime income products, such as Traditional Individual Retirement Accounts (IRAs), Roth IRAs and annuities. Since same-sex partners do not qualify for Social Security survivor benefits, these tax-favored retirement savings vehicles will help to ensure a continued income over a surviving partner's lifetime.

\* Tax-free distributions assume that the life insurance policy is properly structured, is not a Modified Endowment Contract (MEC) and distributions are made up to the cost basis and policy loans thereafter. Should the policy lapse or be surrendered prior to the death of the insured, there may be tax consequences. Loans and withdrawals will decrease the cash value and death benefit. Cash value may not be guaranteed. Investments in variable life insurance are subject to market risk including loss of principal.



**IF** we can generate enough income in retirement to continue living the life we've worked so hard for.



# FINANCIAL PLANNING CHECKLIST

*Use this checklist as a reminder of the documents and planning tools you should consider and to help you identify where you have gaps.*

	DO YOU/ YOUR PARTNER CURRENTLY HAVE THIS BENEFIT IN PLACE?		IS THERE A GAP?	
	YOU	PARTNER	YOU	PARTNER
<b>ESTATE PLANNING</b>				
Will				
Parenting/Guardianship Agreements				
Durable Power of Attorney				
Health Care Proxy				
Priority of Visitation Provision				
Advance Health Care Directive/Living Will				
Living Trust				
Irrevocable Life Insurance Trust (ILIT)				
<b>PROTECTION PLANNING</b>				
Life Insurance				
Disability Insurance				
Long-Term Care Insurance				
<b>RETIREMENT PLANNING</b>				
Consider Designating Your Partner as Beneficiary on 401(k)				
Cash Value Life Insurance				
Traditional IRA or Roth IRA				
Annuity				

# LEADERSHIP COUNTS

*MetLife supports the LGBT community*

## WITHIN METLIFE

At MetLife, we are committed to recruiting, developing and deploying a diverse workforce and maintaining a workplace free of discrimination or harassment. We offer many benefits to our employees and their domestic same-sex or opposite-sex partners, including adoption assistance and supplemental life insurance. In addition, to better serve the needs of the LGBT community, we have an LGBT Advisory Council to provide guidance for our marketing efforts and an LGBT Resource Committee to recommend best practices and strategies for increasing recruitment in the LGBT market.

## GAY, LESBIANS AND ALLIES AT METLIFE (GLAM)

MetLife sponsors this employee affinity group to raise awareness of LGBT issues at MetLife, provide a forum for discussing issues and to organize and attend events that advance LGBT causes.

## HUMAN RIGHTS CAMPAIGN (HRC)

MetLife has consistently earned a perfect score of 100% on the HRC's Corporate Equality Index. This rates companies on a scale of 0 to 100 on their policies, benefits, training programs, support networks, marketing and contributions to the LGBT community.

## SERVICES AND ADVOCACY FOR GAY, LESBIAN, BISEXUAL AND TRANSGENDER ELDERS (SAGE)

SAGE honored MetLife with its first Corporate Leadership Award and recognized MetLife's Mature Market Institute (MMI) with a Certificate of Excellence for MMI's groundbreaking 2006 study, "Out and Aging: The MetLife Study of Lesbian and Gay Baby Boomers."

## NATIONAL GAY & LESBIAN CHAMBER OF COMMERCE (NGLCC)

MetLife is a corporate sponsor of the NGLCC, and encourages employees and affiliates to take advantage of the benefits and opportunities available through local LGBT companies.



MetLife is qualified to help  
**you prepare**  
for the many  
ifs in your life.



MetLife and its affiliates are committed to the LGBT community and dedicated to helping you build a plan for the unique ifs in your life. Call your Financial Representative, who will work with you, your attorney and tax advisors to create a tailored plan for your family's financial future.

**Pursuant to IRS Circular 230, MetLife is providing you with the following notification: The information contained in this document is not intended to (and cannot) be used by anyone to avoid IRS penalties. This document supports the promotion and marketing of insurance products. You should seek advice based on your particular circumstances from an independent tax advisor.**

MetLife, its agents, and representatives may not give legal or tax advice. Any discussion of taxes herein or related to this document is for general information purposes only and does not purport to be complete or cover every situation. Tax law is subject to interpretation and legislative change. Tax results and the appropriateness of any product for any specific taxpayer may vary depending on the facts and circumstances. You should consult with and rely on your own independent legal and tax advisors regarding your particular set of facts and circumstances.

**Prospectuses for Equity Advantage Variable Universal Life, and for the investment portfolios offered thereunder, are available from MetLife. The policy prospectus contains information about the policies features, risks, charges and expenses. Investors should consider the investment objectives, contract features, risks, charges and expenses of the investment company carefully before investing. The investment objectives, risks and policies of the investment options, as well as other information about the investment options, are described in their respective prospectuses. Clients should read the prospectuses and consider this information carefully before investing. Product availability and features may vary by state.**

MetLife life insurance policies have limitations, exclusions, charges, termination provisions and terms for keeping them in force. There is no guarantee that any of the variable investment options in this product will meet its stated goals or objectives. The cash value is subject to market fluctuations so that, when withdrawn, it may be worth more or less than its original value. Guarantees are based on the claims paying ability and financial strength of the issuing insurance company.

Guarantee Advantage Universal Life is issued by MetLife Investors USA Insurance Company on Policy Form Series 5E-34-07 and in New York, only by Metropolitan Life Insurance Company on Policy Form Series 1E-34-07-NY. Legacy Advantage Survivorship Universal Life is issued by MetLife Investors USA Insurance Company on Policy Form Series 5E-32-05 and in New York, only by Metropolitan Life Insurance Company on Policy Form Series 1E-32-05-NY. Equity Advantage Variable Universal Life is issued by MetLife Investors USA Insurance Company on Policy Form Series 5E-46-06 and in New York only by Metropolitan Life Insurance Company on Policy Form Series 1E-46-06-NY-1. Whole Life is issued by Metropolitan Life Insurance Company on Policy Form Series 8-90(08). Guaranteed Level Term is issued by MetLife Investors USA Insurance Company on Policy Form Series 5E-21-04 and in New York, only by First MetLife Investors Insurance Company on Policy Form Series 5E-21-04-NY. All are MetLife companies. All guarantees are based on the claims-paying ability and financial strength of the issuing insurance company. Variable products are distributed by MetLife Investors Distribution Company, 5 Park Plaza, Suite 1900, Irvine, CA 92614. Variable products are offered through MetLife Securities, Inc. and New England Securities Corporation; both at 1095 Avenue of the Americas, New York, NY 10036 (member FINRA/SIPC). August 2010

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- Not A Deposit
- Not FDIC-Insured
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- Not Guaranteed By Any Bank Or Credit Union
- May Go Down in Value



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