

# Flex One<sup>®</sup>

*Supplement your employees' benefits package while adding valuable cafeteria plan services.*



## *Plan Highlights*

- Choose the easy way to save tax dollars on health care premiums.
- Add to your benefits or possibly receive a higher paycheck.

# Introducing Flex One<sup>®</sup> From Aflac

**This tax-advantaged plan** allows employees to use pre-tax dollars to pay for certain benefit costs. And when you lower the taxable incomes of all participating employees, you may also reduce your overall share of FICA and FUTA taxes.

Not only is the potential tax savings of Flex One a real advantage, but each employee is also given the opportunity to select supplemental benefits that may fill gaps in traditional coverage.

**We provide assistance in setting up premium-only plans and flexible spending accounts.**

*We make savings simple.*

*We provide sample documents.*

*We educate your employees.*

*We handle the FSA reimbursement.\**

*We answer the questions.*



*Let Aflac help  
make tax savings  
easy for you  
and give your  
employees the  
savings they  
deserve.*

\*A monthly fee may be required for FSA services.

## Flex One® for you ...

### Tax Savings for You

You may reduce your employees' taxable incomes, thereby reducing your share of FICA and FUTA taxes, through Aflac's Flex One program. This may mean significant savings for you. Here's how:

#### Employer Savings Example

*Per \$500,000 in payroll*

Without Flex One		With Flex One	
\$ 500,000	Annual Payroll	\$ 500,000	Annual Payroll
- 0	Employee Contribution (pre-tax)	- 30,000	Employee Contribution (pre-tax)
500,000	Taxable Payroll	470,000	Taxable Payroll
x 7.65%	FICA	x 7.65%	FICA
<b>\$ 38,250</b>	<b>Employer Tax</b>	<b>\$ 35,955</b>	<b>Employer Tax</b>
<b>\$2,295 Employer FICA Tax Savings</b>			

## Flex One for your employees.

### Valuable Benefits for Your Employees

By giving them the possibility of tax savings, Aflac provides employees with a choice: increased take-home pay or additional benefits.

#### Employee Savings Example\*

*Per \$1,000 in salary*

Without Flex One		With Flex One	
\$ 1,000	Gross Payroll	\$ 1,000	Gross Income
- 250	Taxes	- 100	Insurance Premiums
750	Paycheck	900	Adjusted Gross Income
- 100	Insurance Premiums	- 225	Taxes
<b>\$ 650</b>	<b>Net Spendable</b>	<b>\$ 675</b>	<b>Net Spendable</b>
<b>\$25 Tax Savings</b>			

\*Savings over funding benefits on an after-tax basis; assumes an effective tax rate of 25 percent

### Pre-tax dollars can be used to help pay for:

- ◆ Premiums for supplemental insurance.
- ◆ Premiums for major medical insurance.
- ◆ Deductibles and copayments.
- ◆ Medical care, such as physical exams and prescription drugs.
- ◆ Health-related supplies and services.
- ◆ Dental care, such as checkups, cleanings, orthodontics, and fillings.
- ◆ Vision care, such as exams, contact lenses and solution, glasses, and corrective surgery.
- ◆ Hearing care, such as hearing aids and batteries.
- ◆ Day care for a dependent child, incapacitated spouse, or other tax dependent.
- ◆ ... and more!

This brochure is for illustration purposes only.

# Aflac is ...

## ***Experienced With Section 125***

Aflac's Flex One® program was established in January 1990. Since then, Flex One has assisted over 173,000 employers in establishing flexible benefits plans for their employees.

## ***Financially Strong\****

Founded in 1955, Aflac is a Fortune 500 company. The common shares of Aflac Incorporated, the parent company, are traded primarily on the New York Stock Exchange. Standard & Poor's rates Aflac AA in insurer financial strength (April 2004). Fitch, Inc., rates Aflac AA in insurer financial strength (April 2005).

## ***A Leader in Payroll Marketing***

The employees of more than 349,000 payroll accounts in the United States participate in our program through list billing.

## ***Number One Provider***

Aflac is the number one provider of guaranteed-renewable insurance (National Underwriter, Life and Health Statistical Report, August 16, 2004).

*\*Ratings refer only to the overall financial status of Aflac and are not recommendations of specific policy provisions, rates, or practices.*

**1-800-99-AFLAC**  
(1-800-992-3522)

**En español:**  
**1-800-SI-AFLAC**  
(1-800-742-3522)

For TTY service, call:  
**1-800-622-2345**

For Flex One information, call:  
**1-800-32-FLEX1**  
(1-800-323-5391)

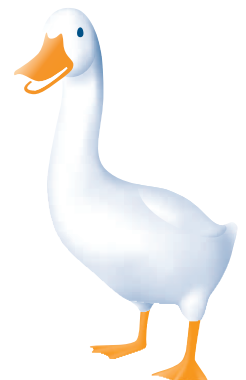
**IVR**  
**1-877-FLEX-IVR**  
(1-877-353-9487)



For additional information,  
contact your local Aflac representative:

Your local Aflac insurance agent/producer

Visit our Web site at [aflac.com](http://aflac.com).



**American Family Life Assurance Company of Columbus (Aflac)**

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