

Life

# Lower rates better value

ADDvantage® Term



## Our Focus: Value where it counts

**North American's** ADDvantage Term product can provide your client with the death benefit protection they need, at a low rate to fit their budget, with the added value of accelerated death benefits for critical, chronic, and terminal illness, available for no extra premium at time of issue.<sup>1</sup>

**Note:** The critical illness benefit on ADDvantage Term is not available in California.

**Our challenge to you:** Take a holistic look at ADDvantage Term. Combine the premiums with accelerated death benefits for critical, chronic, and terminal illness and our comprehensive conversion privileges. We're confident you'll find ADDvantage Term has a value that's very hard to beat.

## Where we win: Accelerated death benefits for critical, chronic, terminal

North American's ADDvantage Term is consistently competitive in price and convertible to a powerful product portfolio. Offering living benefits for critical and chronic illness puts ADDvantage Term into a league of its own — ADDvantage Term is the lowest-priced term product with living benefits for critical and chronic illness.

The importance of Accelerated Benefits

**2/3**

Two-thirds of people who file bankruptcy say that medical bills are a major reason for their financial distress.<sup>3</sup>

## 20-year Term, \$500,000 Death Benefit Age 40, Preferred Best non-tobacco

Annual premium including critical and chronic illness coverage

Company	Product	Male	Female	NO EXTRA PREMIUM
North American	ADDvantage Term	\$350	\$300	✓
American National	Signature Term	\$365	\$340	✓
AIG	QoL FlexTerm <sup>4</sup>	\$384.15	\$326.10	
LSW	Level Term 20-G	\$420	\$375	✓
Ameritas	FLX Living Benefits Term <sup>4</sup>	\$470	\$385	
Transamerica	Trendsetter LB <sup>4</sup>	\$550	\$450	

Source: The above information was obtained using competitor illustration software and it is believed to be accurate as of 10/22/20, however, North American makes no representation or warranty as to its accuracy and it may be subject to change at any time. If there are questions regarding this information, please contact a representative from the applicable company. This data is for informational purposes.



## Critical illness

- **NO ADDITIONAL PREMIUM<sup>2</sup>**
- Premiums are reduced to reflect the lowered face amount<sup>5</sup> when benefit is accelerated
- Maximum 90% of face up to \$1 million
- Up to \$1 million Critical Acceleration
- Up to \$2 million Policy Max Total<sup>6</sup>
- Minimum lesser of 10% of face or \$100,000



## Chronic illness

- **NO ADDITIONAL PREMIUM<sup>2</sup>**
- Premiums are reduced to reflect the lowered face amount<sup>5</sup> when benefit is accelerated
- Maximum 24% of face up to \$480,000 per election
- Up to \$2 million Policy Max Total<sup>6</sup>
- Minimum lesser of 5% of face on Initial Election Date or \$50,000



## Terminal illness

- **NO ADDITIONAL PREMIUM<sup>2</sup>**
- 24-Month Life Expectancy in most States
- Discounted at Time of Election
- Premiums Waived when Benefit is Elected
- Maximum 90% of face up to \$1 million Total Acceleration
- Minimum lesser of 10% of face or \$100,000

## Fully convertible

North American's ADDvantage Term is **fully convertible to a powerful portfolio of competitive permanent products, subject to the terms of the policy.**

- Convertible to any of North American's currently available permanent products.
- No additional underwriting and no proof of insurability required – a preferred class stays a preferred class!
- Lengthy conversion period – either the whole length of the level term period or age 75 (70 for 30-year), whichever comes first.<sup>7</sup>

## WriteAway<sup>®</sup> accelerated underwriting

Doing business is easy with North American's WriteAway accelerated underwriting which offers a seamless application experience with our SimpleSubmit<sup>®</sup> electronic application.

# 46%

46% of applications submitted via WriteAway have been accelerated.

# 7 days

Average time from submitted to underwriting approval is 7 business days for WriteAway cases. Similar cases in traditional underwriting: 20 days.

# 78%

78% of approved WriteAway cases get a preferred or better underwriting decision.

Source: Internal Data, 11/24/2020.

1. Subject to eligibility requirements. 2. An administration fee is required at time of election of an accelerated death benefit. The face amount will be reduced by the accelerated death benefit amount. Since benefits are paid prior to death, a discount will be applied to the face amount accelerated. As a result, the actual amount received will be less than the amount of face amount accelerated. 3. This is the real reason most Americans file for bankruptcy. CNBC. Feb 2019. <https://www.cnbc.com/2019/02/11/this-is-the-real-reason-most-americans-file-for-bankruptcy.html> 4. Carrier offers another product that does not include critical and chronic illness benefits at a lower premium. 5. Policy fees and premiums for riders, other than waiver of premium rider, are not reduced. 6. Combined critical, chronic, and terminal. 7. There are some restrictions based upon the age of the insured at policy issue, but the conversion period is never less than five years.

**Agents offering, marketing, or selling accelerated death benefits for chronic illness in California must be able to describe the differences between benefits provided under an accelerated death benefit for chronic illness and benefits provided under long-term care insurance to clients. You must provide clients with the ADBE Consumer Brochure for California that includes this comparison. Comparison is for solicitation purposes only, not for conversions.**

ADDvantage Term (policy form series LS174), or state variation, Accelerated Death Benefit Endorsement for Critical, Chronic and Terminal Illness (form series LR508), Accelerated Death Benefit Endorsement for Chronic and Terminal Illness (form series LR507), Accelerated Death Benefit Endorsement for Terminal Illness (LR506), Accelerated Death Benefit Endorsement for Terminal Illness (form LR474 - CA only), or state variations, including all applicable endorsements and riders, are issued by North American Company for Life and Health Insurance, Administrative Office, One Sammons Plaza, Sioux Falls, SD 57193. Product, features, endorsements, riders or issue ages may not be available in all jurisdictions. Limitations or restrictions may apply.

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