

# Custom Guarantee® UL Tip Sheet

North American Company for Life and Health Insurance®

## Low-cost universal life insurance with guaranteed death benefit protection

### Key product design features

- **Accelerated death benefits** – This marketable feature allows acceleration of a portion of the death benefit with no additional premium cost (subject to eligibility requirements).<sup>1</sup>
- **\$50,000 minimum face amount** – \$50,000 for issue ages 15 days to 70 years. \$100,000 for issue ages 71 to 79 years.
- **Two-year rolling targets** – Earn the full first-year commission on premium paid during the first 24 policy months up to the target premium established at the time of issue.
- **Guaranteed exchange privilege** – Allows a policyowner the right to exchange a policy, without evidence of insurability and surrender charges, to one of our cash value accumulation universal life policies available at the time of exchange.<sup>2</sup>

### Product strengths

- **Low-cost guaranteed death benefit coverage**<sup>3</sup> – Custom Guarantee's pricing is especially strong for guarantees to age 100 or less in level pay, single pay, and 10-pay scenarios.
- **Low face amounts** – Low-cost coverage with top rate class available, even at minimum face amount, to help clients meet their death benefit protection needs.
- **Single Premiums** – Powerful for single premiums up to \$2,000,000 per year.
- **Premium Recovery Endorsement** – Upon full surrender of the policy within a 60-day window on the 15th, 20th, and 25th policy anniversaries, the policyowner will receive some or all of the total premiums paid.<sup>4</sup>

### Marketable opportunities

- **Permanent protection** – Maximum guaranteed death benefit protection at a very competitive price.
- **1035 exchanges** – Competitive with 1035 exchanges to help clients gain guaranteed death benefit coverage.
- **Legacy building & estate planning** – Irrevocable life insurance trusts<sup>4</sup>, estate plans, and legacy building plans often seek death benefit guarantees at competitive rates.

## Run an illustration today or visit the [Marketing Hub](#) for additional marketing materials.

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 form that includes this comparison. Comparison is for solicitation purpose only, not for conversions.

1. The death benefit will be reduced by the amount of the death benefit accelerated. Since benefits are paid prior to death, a discount will be applied to the death benefit accelerated. As a result, the actual amount received will be less than the amount of the death benefit accelerated. There is an administrative fee when the benefit is elected.

2. The Cash Surrender Value on the new policy may not be greater than the Cash Surrender Value on the policy being exchanged. Not available for policy ages 76 and above or if there is an outstanding policy loan.

3. Subject to premium payment requirements. In illustration software, there may be restrictions in the length of the guaranteed death benefit. See illustration software for details.

4. This benefit will remain in effect to the 25-year policy anniversary as long as all gross premiums paid guarantee the policy to at least attained age of 95, assuming no policy loans are taken. The premium recovery value is the total premiums paid less any policy debt or withdrawals, including withdrawal charges and a processing fee. The total premiums paid will be reduced by the same portion as the death benefit for any acceleration of the death benefit. The owner will recover 50% of paid premiums if exercised following the 15-year anniversary, and 100% of paid premiums if exercised following the 20 or 25-year anniversaries. The premium recovery value will never be less than the net cash surrender value. Refer to the endorsement for complete details.

5. Trusts should be drafted only by an attorney familiar with such matters.

Neither North American Company nor its agents give legal or tax advice. Please advise your customers to consult with and rely upon a qualified legal or tax advisor before entering into or paying additional premiums with respect to such arrangements.

Please refer to the current Custom Guarantee marketing guide for complete product details. Custom Guarantee UL, policy form series LS185 or state version including all applicable endorsements and riders, is issued by North American, West Des Moines, IA 50266. Products, features, riders, endorsements, or issue ages may not be available in all jurisdictions. Limitations or restrictions may apply.