

## Accelerated death benefit endorsements for ADDvantage® Term

# Underwriting at time of election

North American's ADDvantage Term life insurance offers your client accelerated death benefits for critical, chronic, and terminal illness.<sup>1</sup> These benefits offer **added protection with no added premium!**<sup>2</sup> But the acceleration process works differently than the process for our permanent life insurance products.

*Critical illness is not available on ADDvantage Term in California.*

## How it works

For critical and chronic illness claims, the accelerated death benefit will be underwritten at the time the owner elects the benefit. So, what does that mean? The impact that the critical or chronic illness has on the insured's life expectancy will be assessed and will determine the amount of money received from an acceleration of the death benefit. The following chart provides examples of what a 45-year-old male with a 20-year ADDvantage Term policy might expect should he qualify to accelerate the death benefit in the future.

### Hypothetical chronic illness payout example

Age of claimant	Minor impact	Moderate impact	Severe impact
55	\$12,763	\$117,105	\$213,064
60	\$11,992	\$111,776	\$198,197
64	\$6,952	\$104,567	\$185,317

**Issue age 45; male preferred; \$1,000,000 face; accelerate \$240,000**

Source: Internal Data – North American Web-Based Illustrations, October 2024

Hypothetical examples and illustrations are not intended to predict future performance. The use of alternate assumptions could produce significantly different results. Illustrations are not complete unless all pages are included.

**Note:** In a real-life case, the impact could fall anywhere within the spectrum of impact. For example, an impact could qualify somewhere in between minor and moderate, or between moderate and severe. Certain illnesses may actually have a minimal impact to future mortality and result in no benefit being payable. We assess the impact of an illness to mortality in our sole discretion using our established underwriting guidelines.

## Run an illustration today to see how accelerated death benefits for **ADDvantage Term** could provide extra protection for your clients!

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.

**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 purpose only, not for conversions.**

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