



Chronic Illness Accelerated Benefit Rider

An Accelerated Life Insurance Benefit
To Help With Living Needs

Client Brochure

THIS IS NOT LONG TERM CARE INSURANCE NOR IS IT INTENDED TO REPLACE LONG TERM CARE INSURANCE.
NOT AVAILABLE IN CALIFORNIA.





Looking Ahead

Unfortunate events can alter your financial future. There is a way, though, to help protect your plans. As you may know, life insurance provides a death benefit to help protect the financial stability of your loved ones when you are gone. However, did you know that life insurance could provide living benefits, too?

KEY BENEFITS	CHRONIC ILLNESS ACCELERATED BENEFIT RIDER
Financial stability	Accelerate your death benefit for care in the event of a chronic illness.
Low risk	This rider is included automatically on most policies – at no additional premium. ¹
Control	Use as little or as much of the death benefit as you need.

Protection When You Need It

Living benefits on a life insurance policy are simply features you can access while you are alive. One of these living benefits can help with chronic illness. Through the Chronic Illness Accelerated Benefit Rider (CIABR), a policyowner can advance a portion of the death benefit from the life insurance policy when the insured meets the requirements for a chronic illness. It can help you keep control and maintain your financial stability.

Giving Control Back To You

With North American Company's CIABR, we give you the control to help protect your family's financial future.

This accelerated benefit rider advances a portion of the death benefit if the person covered under the policy becomes chronically ill. Chronically Ill means the insured has been certified through a written certification by a physician within the last 12 months as: being permanently unable to perform, without Substantial Assistance from another person, at least two activities of daily living; or requiring substantial supervision by another person, to protect oneself from threats to health and safety due to severe cognitive impairment.²



- As outlined in the rider, a chronic illness must first manifest itself after the effective date of the rider, and the insured must have had it for at least 90 consecutive days. The policyowner can elect to access a portion of the death benefit subject to the maximum and minimum amounts.
- The death benefit will be reduced by the amount the policyowner chooses to accelerate. However, the actual amount received will be less than the amount of death benefit accelerated. This is because, since benefits are paid prior to death, a discount is applied to accelerated death benefits. The discount depends on the specifics of the policy (including the insured's age and premium class, among other factors), as well as interest rates at the time the acceleration is requested.

Your Roadmap to a More Stable Financial Future

The CIABR is automatically included on many North American universal life insurance products.¹ This benefit can help protect against some of life's unexpected events. Here are a few items to consider:

- There is no additional premium at issue for the rider. It's automatically included on the issue date of your life insurance policy (subject to age and underwriting restrictions).¹
- An election can be requested once every 12 months.
- To ensure that a death benefit is still available at death, a residual death benefit amount is required. This residual benefit must be 5% of the death benefit available when the initial election is made or \$10,000, whichever is greater. Acceleration of the death benefit cannot continue if the residual death benefit is met.
- Payments are made in a lump sum or in periodic payments.
- The policy will not enter the grace period while an election is in effect.
- A \$200 administration fee is applied with each election, and a portion of the benefit will be applied to any policy debt if there is an outstanding loan balance. Each of these reduce the actual payment.³
- Election of an acceleration of the benefit reduces the policy death benefit, account value, surrender value and any Return of Premium amount and impacts other provisions in the policy. Refer to the rider form for details.



North American Company for Life and Health Insurance has been providing quality life insurance products since 1886. As one of the leading life insurance companies in the U.S., we'll make it as easy as possible for you to become one of our insureds. Please visit our Website at www.NorthAmericanCompany.com to find out more about our company.

Chronic Illness Accelerated Benefit Rider is issued on form series LR450A by North American Company for Life and Health Insurance, Administrative Office, Sioux Falls, SD 57193. Product, features, riders, endorsements or issue ages may not be available in all jurisdictions. Limitations or restrictions may apply.

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1 Subject to eligibility requirements. There is an administrative fee at the time of election. 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.

2 Minnesota Residents: The insured must have a condition that requires Continuous Confinement in an Eligible Institution and is expected to remain there for the rest of his or her life.

3 Administrative fee may vary by state.

Texas Residents: Receipt of acceleration-of-life-insurance benefits may affect you, your spouse, or your family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. You are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect you, your spouse and your family's eligibility for public assistance.

We're Here For Life®

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