



Living Benefits

If your client is diagnosed with an unexpected illness, lost income and medical expenses can take a toll on a family budget. The Living Benefit Riders can help offer peace of mind at a critical time. These benefits may give your clients access to an early (accelerated) payout of the policy death benefits if they are diagnosed with a Critical, Chronic, or Terminal Illness.

The best thing is, these Living benefits are included with a Term 100, Term 125, CBO 100, CBO 50, Continuation 10, or Continuation 25 policy at no additional cost to your client. Having access to this benefit could make an important difference in the quality of life for them and the lives of their loved ones.

How Does it Work?

The requested benefit acceleration amounts will be reduced by an administrative charge and an actuarial discount, based on the insured’s life expectancy at the time of the request. Calculated benefits may result in no payment.

Benefit Calculation Example

A 40-year-old healthy male purchases a 15-year Term 125. At age 43 he is diagnosed with cancer. He has to take time off work for treatment. Expenses and medical bills begin to accumulate. After completing treatment, his medical bills total over \$75,000.

The Term 125 policy he purchased included the Living Benefit Riders at no additional cost. He requested in writing the Accelerated Benefit for the full \$100,000 face amount. His conditions qualified him for the Critical Illness Accelerated Death Benefit Rider and he received \$79,206.

	3-Year Life Expectancy	10-Year Life Expectancy	15-Year Life Expectancy
Face Amount	\$100,000	\$100,000	\$100,000
Requested Acceleration	\$100,000	\$100,000	\$100,000
less Actuarial Discount	\$20,544	\$67,996	\$93,988
less Administrative Charge	\$250	\$250	\$250
Accelerated Death Benefit	\$79,206	\$31,754	\$5,762

Critical Illness Accelerated Death Benefit Rider

Rider Series 2190/2195

A Critical Illness qualifying event is when a physician certifies that the Insured has had one of the following conditions in the last 12 months:

- Amyotrophic Lateral Sclerosis (ALS)
- End Stage Renal Failure (Kidney Failure)
- Invasive Cancer
- Major Organ Failure
- Myocardial Infarction (Heart Attack)
- Stroke

Chronic Illness Accelerated Death Benefit Rider

Rider Series 2191/2196

A Chronic Illness qualifying event occurs if, within the last 12 months, a physician has certified that for a continuous 90-day period the Insured:

- is unable to perform (without substantial assistance from another person) at least two activities of daily living due to loss of functional capacity; or
- requires substantial supervision to protect himself/herself from threats to health and safety due to severe cognitive impairment.

Terminal Illness Accelerated Death Benefit Rider

Rider Series 2192/2197

A Terminal Illness qualifying event occurs when a physician certifies that the Insured has a terminal illness. A terminal illness is defined as a medical condition that, with a reasonable degree of medical certainty, will result in the Insured's death within 12 months from the date the physician signs the statement of proof of terminal illness.

These riders are added automatically and at no additional cost to Term 125, Term 100, CBO 100, CBO 50, Continuation 10, and Continuation 25.

These benefits may provide an accelerated death benefit, payable as a lump sum, upon the occurrence of a qualifying event. The request for the Accelerated Death Benefit must be in writing and Amerigo must receive the request while the policy is in force.

For Term 125 and Term 100 policies, partial accelerations are available. If a partial acceleration is elected, the Requested Acceleration amount must be a minimum of \$5,000, and the remaining policy face amount must be a minimum of \$20,000. Requested Acceleration amounts will be reduced by an administrative charge and an actuarial discount, based on the insured's life expectancy at the time of the request.

If a Terminal Illness Rider benefit is paid or if a Requested Acceleration equal to the policy's face amount is paid, then all living benefit riders will terminate immediately. If a partial acceleration is paid via the Critical or Chronic Illness Rider, then all living benefit riders will remain active. The policy face amount will be reduced by the amount of the Requested Acceleration, and the policy's cash values will be reduced proportionately.

For CBO 100, CBO 50, Continuation 10, and Continuation 25 policies, partial accelerations are not available.

Important Reminder

Requested Acceleration amounts will be reduced by an administrative charge and an actuarial discount, based on the insured's life expectancy at the time of the request. Calculated benefits may result in no payment to the Owner.