



# Accelerated Benefit Riders

FOR LIFE INSURANCE

Life Benefits ...When You  
Need them Most





## LIFE COMES WITH RISKS

A national study<sup>1</sup> found that 53% of working-age Americans who were uninsured faced problems paying off medical expenses. Whether it is a critical illness, a chronic illness or even the terminal illness of a loved one, these tragedies can drain the entire family emotionally and financially.

## TAKE CONTROL OF YOUR FUTURE TODAY

When illness strikes, work is lost and paychecks may be diminished or eliminated. In addition, expenses associated with medical treatment can compound your financial stress.

No one expects such events, but we can plan for them. We can help protect ourselves from the financial impact of these and other catastrophic events.

One way to protect ourselves is through the Living Benefits provided by the American National Insurance Company's Accelerated Benefit Riders.

## WHAT IS A LIVING BENEFIT?

American National Insurance Company's Living Benefits are Accelerated Benefit Riders (ABRs) which provide the option of receiving a partial or full accelerated life insurance benefit if the insured experiences a qualifying medical condition.<sup>2</sup>

- Partial Acceleration is paid in lieu of a portion of the policy's death benefit.
- Full Acceleration is paid in lieu of the policy's death benefit. In the case of a full acceleration, the policy will be terminated after acceleration is paid.
- Maximum Policy Death Benefit eligible for Acceleration: Issue Ages 0 to 65 is \$2,000,000 and Issue Ages 66 and over is \$1,000,000.

The Accelerated Benefit Riders can provide funds when they are needed to help you at a critical time and help protect the money you have saved for retirement and other life needs.

## PROTECTION WITH NO ADDITIONAL PREMIUM

These riders are offered for no additional premium; however, the accelerated benefit payment will be less than the requested amount because it is reduced by an amount calculated based on American National's evaluation of the insured's health at the time the benefit is exercised as well as an administrative fee of up to \$500 assessed when the benefits are elected.

1. Published in 2016, The New York Times and the Kaiser Family Foundation found in a survey conducted in 2015 with 2,575 respondents between the ages of 18 and 64 that 53% of people without insurance faced financial hardship due to medical reasons. 2. See policy form number ABR14-TM, ABR14-CT, ABR14-CH for a complete list of policy terms, coverage conditions and limitations. ABRs are not available on all policies. Accelerated benefits will not be paid for conditions resulting from self-inflicted injury or attempted suicide. 3. Policy must have a minimum face amount of \$50,000 to be eligible for the Critical and Chronic Illness Rider. The critical and chronic illness versions may not be added to policies rated higher than table 4 or with flat extra rating greater than \$5.00 per thousand. 4. Claims will not be processed until at least thirty days after the qualifying event has occurred. No accelerated benefit will be paid for any qualifying event that occurs on or before the date of issue of the base policy. 5. The condition must exist for 90 days prior to a claim. 6. Some states may limit the definition of terminal illness to conditions that are expected to result in death within 12 months. Policy must have a minimum face amount of \$25,000 to be eligible for the Terminal Illness rider.

## WE OFFER THREE SEPARATE RIDERS COVERING THE FOLLOWING CONDITIONS:

### ACCELERATED BENEFIT RIDER FOR CRITICAL ILLNESS (POLICY FORM SERIES ABR14-CT)<sup>3</sup>:

Life requires flexibility, especially when faced with a health related life crisis. These issues can appear suddenly and put us in a financial bind. The Accelerated Benefit Rider for Critical Illness is there for you when a critical illness arises to help see you through your crisis.

**Eligibility<sup>4</sup>:** The insured has suffered a critical illness described in the rider, which may include heart attack, stroke, invasive cancer, etc. The sixteen covered critical illnesses may be found in the Rider Form or the Summary and Disclosure Notice for Accelerated Benefit for your state.

**Hypothetical Example:** Armando and Maria each own permanent life insurance policies with death benefits of \$250,000 each.

Armando experienced a massive heart attack and was unable to return to work for several months. Maria took a temporary leave of absence from her job to help care for him.

Utilizing the Critical Illness Rider, Armando and Maria were able to accelerate a portion of the death benefit from Armando's policy which would see them through this crisis without having to destroy their savings or retirement nest egg.

### ACCELERATED BENEFIT RIDER FOR CHRONIC ILLNESS (POLICY FORM SERIES ABR14-CH)<sup>5</sup>:

What if something happened, such as a serious illness or an accident that resulted in a chronic condition? Emergency funds can be depleted quickly and savings may not be far behind. Medical care is expensive and partially out of pocket. Where and who do you turn to?

The Accelerated Benefit Rider for Chronic Illness is there for you when a chronic illness arises and can help see you through your crisis.

**Eligibility<sup>5</sup>:** Insured is unable to perform two out of six activities of daily living (bathing, continence, dressing, eating, toileting, or transferring) or requires constant supervision to protect from threats to health and safety due to severe cognitive impairment.

**Hypothetical Example:** Bill was diagnosed with early-onset Alzheimer's disease, and was eventually unable to work or stay at home alone.

Bill and his wife, Karen, asked their agent about surrendering the policy for the accumulation value in the \$500,000 permanent life insurance policy on Bill's life.

Utilizing the Accelerated Benefit Rider, Bill and Karen chose to accelerate 25% of the policy to help with immediate needs and leave 75% of the death benefit to assist Karen later.

Sadly, two years later, Bill's condition worsened and they chose to accelerate an additional 50% of the remaining death benefit to cover necessary expenses and still leave a benefit to cover funeral expenses.

### ACCELERATED BENEFIT RIDER FOR TERMINAL ILLNESS (POLICY FORM SERIES ABR14-TM):

A terminal illness is devastating in so many ways. Spending your time hoping that you can beat the odds while obtaining debilitating treatment that robs you of your quality of life is incredibly stressful. At the same time you may be worrying about how you will pay for it all.

The Accelerated Benefit Rider for Terminal Illness may provide the means to help you get through the remainder of your days with dignity.

**Eligibility:** Insured has an illness or condition that is expected to result in death within 24 months.<sup>6</sup>

**Hypothetical Example:** Joan found out she had pancreatic cancer and a leading cancer treatment center confirmed that she had only a few months of life remaining.

Joan was soon unable to work and was quickly running through her savings and was concerned about how she would continue to pay for her treatment. Joan checked with the company and, after evidence of her condition was provided, she elected to use the Accelerated Benefit Rider for Terminal Illness to receive a discounted accelerated benefit payment in settlement of her policy.

With this money, Joan was able to continue her treatments and lived sixteen additional months before she succumbed to the pancreatic cancer.

## PROTECT YOUR FINANCES; PROVIDE YOURSELF FINANCIAL COMFORT

American National's Accelerated Benefit Riders are one more building block in creating a secure financial future for you and your family. Help protect what you have worked so hard to build. Increase your family's security today.



### IMPORTANT CONSIDERATIONS

Receipt of Accelerated Benefits may affect your eligibility for Medicaid, supplemental security income, or other government benefits or entitlements. Please consult your own advisor to determine the impact on your eligibility before applying for accelerated benefits. Accelerated Benefit Riders are not replacements for Long Term Care insurance.

Receipt of an Accelerated Benefit may be a taxable event. You should consult a tax advisor regarding the tax status of any benefit paid to you under this Rider.

Neither American National Insurance Company nor its representatives give legal or tax advice. Agents can only discuss general benefits of conversion and must refer clients to their tax advisor or attorney for tax or legal advice.

All riders are not available in all states, or with all life insurance policies offered by American National Insurance Company.

This brochure is not intended for use with California residents. Please see Form 10422-CA.



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