

NORTH AMERICAN COMPANY RIDER GUIDE

Value Added Benefits for
Outstanding Products

RIDER
GUIDE



North American Company riders are designed to enhance our unique line of term and universal life insurance products.

This quick reference chart illustrates which riders are available on our term and universal life products:

	Custom Accumulator sm	Custom Extra sm
Accelerated Benefit Endorsement	✓	✓
Accidental Death Benefit Rider	✓	✓
Accident Disability Income Rider		
Additional Insured Rider	✓	✓
Additional Insurance Option		
Base Return of Premium Rider		
Child Term Rider		
Children's Term Rider	✓	✓
Disability Income Rider		
Guaranteed Insurability Rider	✓	✓
Level Term Rider		✓
Monthly Income Endorsement		
Waiver of Monthly Deductions Rider	✓	✓
Waiver of Premium Rider		

Custom Guarantee sm	Custom TermUL sm	Legacy Optimizer sm	Impact Plus sm
✓	✓	✓	✓
✓	✓		
			✓
✓	✓		✓
			✓
			✓
✓	✓		
			✓
✓	✓		
			✓
✓	✓		
			✓
✓	✓		
			✓

Rider definitions are provided in this guide. For rider rates install the latest version of our illustration software.

Accelerated Benefit Endorsement

The Accelerated Benefit Endorsement specifies that if insured is diagnosed with a terminal illness, which would likely result in death within 24 months, up to 75% (maximum of \$250,000) of the death benefit may be accessed without penalty.

- The endorsement:
 - is available at no additional cost to the policyowner
 - is not issued on policies for which the primary insured is assigned a substandard rating higher than table 4, or assessed flat extra premium for medical reasons
- Premiums will not be waived by this endorsement

Availability: Custom Accumulator, Custom Extra, Custom Guarantee, Custom TermUL, Impact Plus and Legacy Optimizer.

Accidental Death Benefit Rider

The Accidental Death Benefit Rider provides additional death benefit for base-policy insured if death is caused by an accidental bodily injury and occurs within 90 days of the injury. Available only on base insured. This rider may not be available with certain health conditions or hazardous sports. The Accidental Death Benefit Rider is available through Table 6 with an extra premium charged for substandard cases.

- Issue ages: 15 days-65 years (age nearest)
- Minimum amount: \$10,000
- Maximum amount: The lesser of:
 - The total death benefit protection provided by the base policy or
 - \$200,000.
- Rider increase: Increases or addition of this rider will not be allowed after issue of the base policy

- Rider decrease: Decreases in the death benefit amount will be allowed if the benefit amount remains at least \$10,000
- Maturity: Policy anniversary nearest age 70

Availability: Custom Accumulator, Custom Extra, Custom Guarantee and Custom TermUL.

Accident Disability Income Rider

The Accident Disability Income Rider will pay a monthly benefit for total disability resulting from an injury.

- Issue Ages: 18-55 (age nearest)
- Expiry Age: 60
- Elimination Period: 90 calendar days
- Minimum Amount: \$100 of monthly benefit
- Maximum Monthly Benefit Amount: The lesser of
 - \$2,500; or
 - 1.5% of the primary insured's face amount if the rider is on the primary insured or the Additional Insured Rider face amount if the rider is on the additional insured; or
 - 60% of monthly gross salary (40% in California)
- Available at issue only.
- Rider is not available if the insured associated with this rider has any combination of table rating and flat extra above Table 2, where 1 table equals 25% of extra premium or flat extra of \$1.50 per \$1,000 of face amount.

Availability: Impact Plus. The Accident Disability Income Rider is not available on the same policy as the Waiver of Premium Rider or on the same insured as the Disability Income Rider.

Additional Insurance Option

The Additional Insurance Option allows your Super Preferred and Preferred Non-Tobacco policyowners to purchase additional term insurance coverage, subject to minimal evidence of insurability, for up to three years after the original policy issue date (depending on issue age). The premium requirement for the additional coverage will be based upon the insured's issue age and underwriting class at the time of policy issue.

- Issue ages: 18-55
- Face amounts: \$100,000 through \$1,000,000
- Exercise option: On any one of the first three policy anniversaries subject to the following age requirements:

Base Policy Issue Age	Opportunities to Exercise AIO
18-35	1st, 2nd, and 3rd policy anniversary
36-40	1st and 2nd policy anniversary
41-55	1st policy anniversary

- Minimum increase: \$25,000
- Maximum increase: 50% of face amount if exercised on the 1st policy anniversary; 25% of face amount if exercised on the 2nd or 3rd policy anniversary
 - The additional coverage will be subject to contestability and suicide periods of two years from the effective date of coverage.
- Rider not available on substandard business

Availability: Impact Plus. The Additional Insurance Option not available on same policy as Base Return of Premium Rider.

Additional Insured Rider - Term

This version of our Additional Insured Rider, which is specifically designed for our term products, provides term life insurance on the life of an additional insured. Available issue ages, minimum and maximum face amount and underwriting for this rider follow the same rules as those of the base policy. The term Additional Insured Rider has the same premium rates as the base policy, but is dictated by the additional insured's issue age, gender and underwriting class. The addition of this rider can help reduce the costs associated with a separate policy.

- Available at issue only.
- Annual Rider Fee: \$50, Fully Commissionable
- Rider is limited to one additional insured
- Additional Insured Rider must have the same guarantee period, but doesn't have to have the same coverage amount as the base policy.
- Rider not available if the additional insured has any combination of table rating and flat extra above the maximum table listed below, where 1 table equals 25% of extra premium or flat extra of \$1.50 per \$1,000 of face amount.

Issue ages 18-75 – Table 16

Issue ages 76-80 – Table 6

Issue ages 81-85 – Table 2

- The rider insured is only able to elect the Disability Income Rider or Accident Disability Income Rider.

Availability: Impact Plus.

Additional Insured Rider - Universal Life

The Additional Insured Rider for Universal Life plans offers the flexibility of providing level term insurance for the base insured or for a spouse, child, business associate/partner, or other person (up to 5 additional insureds—including the primary insured). Avoid the costs associated with separate policies and provide the coverage in rider form instead!

- Issue ages: 15 days-90 years (age nearest), based on the following underwriting classes:

Underwriting Class	Issue Ages
Preferred Non-Tobacco	15-80
Standard Plus Non-Tobacco	15-90
Standard Non-Tobacco	15 Days-90 years
Preferred Tobacco	15-80
Standard Tobacco	15-90

- Up to 5 additional insureds per policy
- Minimum amount: \$25,000
- Maximum amount: Limited only by underwriting considerations
- Maturity: Age 100
- Underwriting: Each proposed insured receives a separate underwriting classification.
 - Insureds with improving health may apply for changes in underwriting classes at the end of the first policy year.
- Conversion: The policyowner may convert, without evidence of insurability, while the rider is in force for either a single premium universal life plan or an individual life universal life plan.
 - The benefit amount of this Rider for the additional insured for which the conversion is being made will be reduced by the amount of the new policy. The amount converted may not

exceed the benefit amount in force.

- **Rider face increase:** The rider benefit cannot be increased after issue of the base policy.
- **Addition of the Rider:** Allowable on lives, other than the primary insured, after issue of the base policy. Only one rider per insured life.
- **Rider face decrease or removal:** Decreases in death benefit are allowable as long as the minimum benefit amount remains at \$25,000.
- **Continuation of Rider benefit amount:** After the base coverage terminates through death, lapse, expiry, or maturity, the rider coverage may continue. The owner of the policy will remain the owner of the rider benefit amount, except that, if the policy terminates due to the death of the owner and base insured, the rider insured becomes the owner with respect to this coverage.

Availability: Custom Accumulator, Custom Extra, Custom Guarantee and Custom TermUL.

Base Return of Premium Rider

The Base Return of Premium Rider pays a return of premium benefit after the fifth policy year, while it is in force, if the base policy terminates for any reason other than the death of the primary insured.

- **Issue Ages (age nearest birthday):**

Plan	Standard Underwriting	Substandard Underwriting
Impact Plus 15	18-70	18-60
Impact Plus 20	18-65	18-55
Impact Plus 30	18-55	18-45

- Not available on Impact Plus 10.
- Available at issue only.
- Maximum amount: \$499,999.

- The total premiums paid for the base policy and any attached riders, except this rider and the Waiver of Premium Rider, are multiplied by a return of premium factor during the guarantee period. There is no charge for this rider after the guarantee period.
- During the guarantee period, the return of premium benefit equals a percentage (up to 100%) of the total premiums paid during the guarantee period, including all rider premiums except for the Base Return of Premium rider itself. The following table shows the percentage of premium returned as of the end of a policy year:

End of Policy Year	Impact Plus 15	Impact Plus 20	Impact Plus 30
1-5	0%	0%	0%
6	5%	3%	1%
7	10%	6%	2%
8	15%	9%	3%
9	20%	12%	4%
10	25%	15%	5%
11	40%	22%	7%
12	55%	29%	9%
13	70%	36%	11%
14	85%	43%	13%
15	100%	50%	15%
16		60%	17%
17		70%	19%
18		80%	21%
19		90%	23%
20		100%	25%
21			30%
22			35%
23			40%
24			45%
25			50%
26			60%
27			70%
28			80%
29			90%
30		% of Premium	100%

- After the guarantee period, the return of premium benefit is calculated as the return of premium benefit at the end of the guarantee period compounded annually at 1.0% interest rate.
- Rider is not available if the primary insured has any combination of table rating and flat extra above the maximum table listed below, where 1 table equals

25% of extra premium or flat extra of \$1.50 per \$1,000 of face amount.

		Maximum Table Available
Impact Plus 15	Issue Ages 18-55	Table 16
	Issue Ages 56-60	Table 8
Impact Plus 20	Issue Ages 18-50	Table 16
	Issue Ages 51-55	Table 8
Impact Plus 30	Issue Ages 18-40	Table 16
	Issue Ages 41-45	Table 8

Availability: Impact Plus 15, Impact Plus 20 and Impact Plus 30. The Base Return of Premium Rider is not available on the same policy as the Additional Insurance Option.

Child Term Rider

The Child Term Rider provides level term coverage for any child, stepchild or legally adopted child within issue ages 15 days and 24 years on the benefit's effective date, except those who at the time coverage takes effect, do not reside with the primary insured or who are substandard. If the primary Insured is rated above table 4 or has flat extra premium of more than \$7.50, the rider coverage will not be issued. A child that is substandard is not eligible for coverage under this rider.

- Issue ages: 15 days-24 years (age nearest)
- Expiry: Each child's age 25
- Minimum issue: \$1,000
- Maximum issue: \$10,000¹
- Annual premium per unit: \$8.75
- If the insured dies before the benefit's expiration, the coverage becomes paid-up term insurance and continues until the child is 25 or the benefit expires, if earlier.
- Conversions: Ten times the amount of the insured child's coverage can be converted without evidence of insurability on any date after both the child's 18th birthday and the fifth coverage anniversary.

Availability: Impact Plus.

¹ Although more than one family and/or child term rider may be purchased for the same person, either on the same policy or separate policies, total coverage on any one life cannot exceed 10 units. Example: You cannot insure one child with a rider for six units plus another rider for five units.

Children's Term Rider

The Children's Term Rider provides term coverage on all children of the base insured, natural or legally adopted, who are at least 15 days old. This benefit is especially appropriate when the parents apply for joint life coverage or if only one parent is legally responsible for the child or children and takes out a single life plan.

- Issue ages: 15 days-17 years (age nearest)
- Underwriting classification: Non-Tobacco
- Maturity: Age 25
- Minimum amount: \$1,000 per child
- Maximum amount: \$10,000 per child¹
- Conversions: The insured child's coverage may be converted to a permanent \$25,000 plan without evidence of insurability on or after the insured child's 18th birthday, but before the policy anniversary nearest the insured child's 25th birthday.
- Continuation of Rider benefit amount: After the base coverage terminates through death, lapse, expiry, or maturity, the rider coverage may continue.
 - The owner of the policy will remain the owner of the rider benefit amount, except if the policy terminates due to the death of the owner and base insured, the rider insured becomes the owner with respect to this coverage.
- Addition of Rider: May be added after policy issue.
- Rider face increase: Not available
- Rider face decrease: Minimum benefit amount must remain at least \$1,000

Availability: Custom Accumulator, Custom Extra, Custom Guarantee and Custom TermUL.

¹ Although more than one family and/or child term rider may be purchased for the same person, either on the same policy or separate policies, total coverage on any one life cannot exceed 10 units. Example: You cannot insure one child with a rider for six units plus another rider for five units.

Disability Income Rider

Similar to the Accident Disability Income Rider, the Disability Income Rider pays a monthly benefit for total disability due to an injury or illness.

- Issue Ages: 18-55 (age nearest)
- Expiry Age: 60
- Elimination Period: 90 calendar days
- Minimum Amount: \$100 of monthly benefit
- Maximum Amount: The lesser of
 - \$2,500; or
 - 1.5% of the primary insured's face amount if the rider is on the primary insured or the Additional Insured Rider face amount if the rider is on the additional insured; or
 - 60% of monthly gross salary (40% in California)
- Available at issue only.
- Not available if the insured associated with this rider has any combination of table rating and flat extra above Table 2, where 1 table equals 25% of extra premium or flat extra of \$1.50 per \$1,000 of face amount.

Availability: Impact Plus. The Disability Income Rider is not available on the same policy as the Waiver of Premium Rider or on the same insured as the Accident Disability Income Rider.

Guaranteed Insurability Rider

The Guaranteed Insurability Rider locks in your client's future insurability. The rider provides the primary insured with the option to increase death benefit coverage by a specified amount without evidence of insurability on preset election dates.

- Issue ages: 15 days -40 years (age nearest)
- Minimum amount: \$1,000
- Maximum amount: The maximum specified amount of each increase is the lesser of:
 - The base policy's total benefit amount on the date the owner purchases the rider; and
 - \$50,000
- Maturity: 60 days after insured's attained age 50
- Underwriting classification: Standard or better risk classifications
 - Underwriting requirements are determined as follows:
 - If the proposed insured is less than or equal to 30 years old, add 5 options to the base plan. For example, 22 year old, base plan \$75,000 would be underwritten for total \$325,000 ($\$75,000 + (5 \times \$50,000)$).
 - If the proposed insured is greater than 30 years old, add 3 options to base plan. For example, 32 year old, base plan \$75,000 would be underwritten for total \$225,000 ($\$75,000 + (3 \times \$50,000)$).
- Increase or addition of Rider: Increase/addition of Rider not allowed after issue of the base policy; the specified amount of the base plan may be increased in increment of \$1,000 by exercising the Rider.
- Decrease or removal of Rider: Decreases in the option amount in increments of \$1,000; minimum option amount is \$1,000.
- Rider option dates: Option to increase death benefit coverage on preset election dates
 - Regular option dates: Policy anniversaries

nearest the insured's age of 23, 26, 29, 32, 35, 38, 41, 44, 47 and 50. The additional insurance will be an increase amount to the total death benefit of the base policy.

- The following table has the number of options available by issue and option ages:

Issue Age	Options Available	Option Ages
15 Days-22 years	10	23, 26, 29, 32, 35, 38, 41, 44, 47, 50
23-25	9	26, 29, 32, 35, 38, 41, 44, 47, 50
26-28	8	29, 32, 35, 38, 41, 44, 47, 50
29-31	7	32, 35, 38, 41, 44, 47, 50
32-34	6	35, 38, 41, 44, 47, 50
35-37	5	38, 41, 44, 47, 50
38-40	4	41, 44, 47, 50

- Alternate option dates: available when any of the following occurs after the effective date of the Rider:
 1. First marriage of the insured;
 2. A child is born to the insured;
 3. The insured adopts a child under the age of 18.
 - Proof of right to exercise an alternate option date is required;
 - The insured can only exercise an alternate option if there is a regular option date remaining;
 - If exercised, an alternate option date replaces the next regular option date;
 - The additional insurance will be an increase amount to the total death benefit amount of the base policy;

- We will automatically provide term life insurance equal to the option amount on the Insured during the 60 days following the alternate option date. There is no charge for this term life insurance. This term life insurance terminates on the effective date of any increase amount.
- Exercising an option: The insured must send a written request within 60 days prior to the regular option date or within 60 days following an alternate option date.

Availability: Custom Accumulator, Custom Extra, Custom Guarantee and Custom TermUL. The Guaranteed Insurability Rider is not available on a Custom Extra policy with a Level Term Rider.

Level Term Rider

The Level Term Rider provides additional term insurance equal to the specified amount of the base coverage up to a maximum of \$500,000 additional coverage, for either three or five years. This rider is not allowed on policies with substandard ratings and/or flat extras.

- Issue ages: 15 days-65 years (age nearest)
- Minimum amount: \$25,000
- Maximum amount: \$500,000
- Expiry: 5 years for issue ages through 55; 3 years for issue ages 56-65; not available for issue ages 66 and older
- Rider increase: Not available
- Rider decreases: Will occur automatically if the base plan decreases
- Rider addition: Not available
- Conversions: May convert all or a portion of the benefit amount without evidence of insurability. The conversion amount is applied as an increase to the base policy

Availability: Custom Extra.

Monthly Income Endorsement

Available at no extra cost to the policyowner, the Monthly Income Endorsement on the life of the primary insured allows the policyowner to specify the death proceeds to be paid as an initial lump sum payment, followed by monthly payments for 5 to 30 years and followed with a final lump sum payment.

- Available at issue only.
- The rider is not available on the Additional Insured Rider.

Availability: Impact Plus.

Waiver of Monthly Deductions Rider

The Waiver of Monthly Deductions Rider waives the policy monthly deductions after the insured has been totally disabled for six consecutive months. Waiver is not available on policies with substandard ratings or flat extas. This rider may not be available with certain health conditions or hazardous sports.

- Issue ages: 18-59 (age nearest)
- Maturity: Age 65
- Minimum amount: Not Applicable
- Maximum amount: Maximum policy size eligible is \$2,000,000 face amount or \$40,000 of target premium

Availability: Custom Accumulator, Custom Extra, Custom Guarantee and Custom TermUL.

Waiver of Premium Rider

The Waiver of Premium Rider allows the total premium payments, including all rider premiums, to be waived if the primary insured becomes totally disabled. This rider is not available on substandard ratings or flat extras. The Waiver of Premium rider may not be available with certain health conditions or hazardous sports.

- Issue ages: 18-59 (age nearest)
- Expiry: Age 65
- Maximum: \$2 million
- Available at issue only
- Benefit payments:
 - For disabilities occurring before age 60, premium will be waived as they become due.
 - For disabilities occurring after age 60, premium will be waived until age 65, but not less than two years.

Availability: Impact Plus. The Waiver of Premium Rider is not available on the same policy as the Accident Disability Income Rider or the Disability Income Rider.



Custom Accumulator is issued on policy form LS138A; Custom Extra is issued on policy form LS137A; Custom Guarantee UL is issued on policy form LS139A; Custom TermUL is issued on policy form LS120A; Legacy Optimizer is issued on policy form LS133A; Impact Plus plans are issued on policy form series LS125A, policy forms LS108A19 and LS114A19 for MD, or state variation for 1980 CSO Table and policy form series LS143A or state variation for 2001 CSO Table; Accelerated Benefit Endorsement is issued on form LR352A; Accidental Death Benefit Rider is issued on form LR370A; Accident Disability Income Rider is issued on form LR411A; Additional Insured Benefit Rider is issued on form LR371A for universal life plans and LR401A for term Plans; Additional Insurance Option is issued on form LRS-313A; Base Return of Premium Rider is issued on form LR407A; Child Rider is issued on form LRS-45A-1; Children's Term Rider is issued on form LR372A; Disability Income Rider is issued on form LR410A; Guaranteed Insurability Rider is issued on form LR373A; Level Term Rider is issued on form LR375A; Monthly Income Endorsement is issued on form LR403A; Waiver of Monthly Deduction Rider is issued on form LRS-55A; Waiver of Premium Rider is issued on form LR409A; or state variation by North American Company for Life and Health Insurance, Chicago, IL. Not all products, features, riders, endorsements or issue ages are available in all jurisdictions.

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