



National Life  
Group®

Experience Life®

Breathe Easier  
Worry Less

# Term Insurance

PROTECTING THE ONES WHO DEPEND ON YOU

Products issued by  
**National Life Insurance Company®**

National Life Group® is a trade name of National Life Insurance Company, Montpelier, VT and its affiliates.

# We all need help sometime. Life insurance can be the help you need for those who financially depend on you when they need it the most.

Life insurance can give you the peace of mind that comes with knowing your loved ones will be protected financially in the event you die prematurely or suffer from a long-term illness or a critical injury.

Our term products may be ideal if you:

- want low cost life insurance with guaranteed premiums for a specified period of time
- want additional death benefit to supplement permanent life coverage
- require a larger amount of insurance but have limited finances
- are interested in purchasing term life insurance at a low cost today but with the option to convert to a permanent policy in the future with no additional evidence of insurability
- are interested in purchasing term life insurance with optional riders that can provide living benefits in the event of a qualifying terminal, chronic or critical illness or critical injury.







## Our term insurance is an affordable way to provide financial security for the people who rely on you – TODAY and TOMORROW.

Term insurance generally provides a high amount of death benefit for a low premium, but only if the death occurs within the term of the policy.

Term insurance can be used as a starter policy to lock in your insurability, can be used during a time when insurance is needed but finances are limited and can be converted to permanent life insurance in the future. It is often used as a stepping stone to a permanent policy.

### The death benefit can be used for:

- maintaining your family's lifestyle
- providing for your children's education
- providing supplemental retirement income for your spouse
- business continuation planning; or charitable giving



## Nearly 1 out of 3

Americans feel that the loss of the primary household wage earner would be felt financially within the month.<sup>1</sup>

<sup>1</sup> <https://www.lifehappens.org>, 2017 Insurance Barometer Study

# There's More to Life

Life insurance can do more than pay a death benefit – it offers living benefits too.

With valuable riders you may be able to accelerate the death benefit due to a qualifying illness or injury. Accelerated Benefits Riders<sup>2</sup> are optional, no additional cost riders that can allow you to access all or part of the death benefit while you are living if you experience a qualifying terminal, chronic, or critical illness or critical injury.

You can use the benefit for any purpose, with the exception that ABR proceeds for chronic illness in the state of Massachusetts can only be used to pay for expenses incurred for Qualified Long-Term Care services.<sup>3</sup>

## Benefits could be used for, but aren't limited to:

- Household expenses
- Home modifications
- Adult day care
- Regular bills
- Quality of life expenses

## Here if you need it. You can elect to either:

- Choose to receive a portion of your death benefit during your lifetime and leave the remaining portion to your beneficiary, or
- Choose to leave the entire death benefit to your beneficiary.

**The ability to accelerate the death benefit will end when the life insurance policy is terminated.**

**2 out of 4**  
households that have  
filed for personal  
bankruptcy were due to  
medical problems.<sup>4</sup>

2 Accelerated Benefit Riders are optional and may not be available in all states. Critical Injury is not available in NY. Receipt of Accelerated Benefits will reduce the Cash Value and Death Benefit otherwise payable under the policy, may result in a taxable event, and may affect your eligibility for public assistance programs.

3 Qualified Long-Term Care services, are defined as: The necessary diagnostic, preventative, therapeutic, curing, treating, mitigating and rehabilitative services, and maintenance or personal care services that are required by a chronically ill individual and are provided pursuant to a plan of care prescribed by a licensed health care practitioner.

4 Health Affairs - Medical Bankruptcy: Myth Versus Fact - February, 2016



# Conversion – Providing Protection for a Lifetime

An important benefit of Term insurance is the privilege to convert it to permanent coverage.

## What are the benefits of converting your term to permanent insurance?

Although Term insurance policies can be renewable after the initial guaranteed term has expired, it's likely that premiums will increase at that time. Should your need for insurance protection extend beyond the original "term" of your policy, it could potentially end up being more expensive than an alternative permanent policy.

In addition to providing insurance protection for your entire lifetime,<sup>5</sup> permanent insurance offers the opportunity to develop cash value within your policy. This cash value grows tax-deferred and may be accessed in the future on a tax-advantaged basis using policy loans or withdrawals.<sup>6</sup>

When you own a permanent life insurance policy, your policy's cash value belongs to you. When properly funded, after the first policy year you may access it at any time using policy loans or withdrawals for such things as:

- Unplanned expenses
- Meeting short-term income needs
- Supplementing future retirement income

Life  
Insurance  
**BEYOND**  
the Death  
Benefit

<sup>5</sup> Assumes all regularly scheduled premiums are paid

<sup>6</sup> The ability of a life insurance contract to accumulate sufficient cash value to help pay expenses or meet accumulation goals will be dependent upon the amount of extra premium paid into the policy, and the performance of the policy, and is not guaranteed. Policy loans and withdrawals reduce the policy's cash value and death benefit and may result in a taxable event. Surrender charges may reduce the policy's cash value in early years.











# Term Product Portfolio

## Important Terms to Know

### Guaranteed Level Term Series

- Four contracts available – 10-year, 15-year, 20-year and 30-year
- Provides a level premium for a guaranteed period
- Premiums remain level for the contract term (10, 15, 20, 30-years) after which they will increase annually
- Suitable for individuals and/or businesses requiring insurance protection for a specific period at a predictable cost

### Annual Renewable Term

- Our lowest initial premium
- Premiums increase annually based on your age
- Suitable for individuals and/or businesses requiring low-cost insurance protection for a short period of time.

# Converting your Term to Permanent Coverage

This no-cost feature allows you to convert your term policy to a permanent insurance product with no additional evidence of insurability. An attained age conversion is available at any time during the contract conversion period and the premiums for the new permanent contract will be based on your current (attained) age.

## Conversion:

### For issue ages up to and including age 65:

Annual Renewable Term: Ends at the sooner of age 70 or 10 years from date of issue

Guaranteed Level and Level Term Series:

- 10 year term: Ends at the sooner of age 70 or 10 years from date of issue
- 15 year term: Ends at the sooner of age 70 or 12 years from date of issue
- 20 year term: Ends at the sooner of age 70 or 15 years from date of issue
- 30 year term: Ends at the sooner of age 70 or 20 years from date of issue

### For issue ages over 65:

For issue ages above 65, the conversion period ends 5 years from date of issue, regardless of the term period.

## Conversion Credit

If you choose to convert your term contract to a permanent contract you may be eligible for a conversion credit applied to your first year premium on your permanent policy. The term conversion credit is 1% per month that the term contract has been in-force, up to a maximum of 12% after 12 months.

### Conversion Credit Expiration:

- 5th policy year on ART and 10 year term
- 8th policy year on 15 year term
- 10th policy year on 20 and 30 year term

# Additional Valuable Benefits

## Waiver of Premium Rider

Purchase of this rider provides that in the event of disability the company will waive premiums for the term policy. If you have been disabled for two years and wish to convert your policy to a new permanent policy, base premiums or monthly deductions on the new policy will also be waived until the insured recovers.

## Children's Term Rider

The Children Term Rider is an optional rider for automatically providing insurance protection on your children without having to have a separate policy.

Through the Children Term Rider, you can purchase protection on any children between the ages of 15 days and 16 years.

Initial coverage is available for face amounts between \$5,000 and \$25,000. There is the option to convert the Children's Term through age 25 for an additional coverage amount of the lesser of six times their Term face amount or \$150,000.











At the end of the day **It's about you.**  
Caring, Planning and Protecting what matters most.  
Figuring out life's puzzles...we're here to help.



Guaranteed Level Term series and Annually Renewable Term life insurance policies, form no. 20521/ICC18-20521 and associated riders, are underwritten by National Life Insurance Company. Children's Term Rider, form series 20404/ICC16-20404, and Waiver of Premium Rider, form series 20526/ICC18-20526, are optional and available at an additional cost.

Accelerated Benefits Riders, (form series 7490, 7493, 8765, 9744, ICC10-8843, 20285, ICC15-20285, 20286, ICC15-20286, 20006NY) are available on various Term Life policies underwritten by National Life Insurance Company (NLIC).

Riders are optional, may be subject to underwriting, exclusions and/or limitations and may not be available in all states or on all products. Receipt of accelerated benefits reduces the Death Benefit and cash value (if any) otherwise payable under the policy, may be a taxable event and may affect your eligibility for public assistance programs, such as medical assistance (Medicaid), Aid to Families with Dependent Children, and Supplemental Security Income. Please consult your personal tax advisor to determine the tax status of any benefits paid under this rider 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. This rider is intended for favorable tax treatment under Section 101(g) of the Internal Revenue Code (26 U.S.C. Sec. 101(g)). Whether such benefits qualify depends on factors such as your life expectancy at the time benefits are accelerated or how the benefits are used. Any claim for critical illness or critical injury benefits for a given Qualifying Event must be filed within 365 days following the occurrence of such Qualifying Event.

There is no restriction placed on the use of the accelerated benefit with the exception that ABR proceeds for chronic illness in the state of Massachusetts can only be used to pay for expenses incurred for Qualified Long-Term Care services.

The actual payment you receive will be less than the portion of the death benefit accelerated because the benefits are paid prior to death. Values are based on a current interest rate and mortality rates. There is an initial administrative fee at the time the rider is exercised. We currently limit the amount of death benefit that may be accelerated under all contracts made over the entire lifetime of the insured to \$1,500,000 for terminal illness or chronic illness, \$2,000,000 for covered chronic illness in NY, and \$1,000,000 for critical illness or critical injury. We reserve the right to change this limit in the future; however the limit will never be less than \$500,000. Other restrictions, limitations and waiting periods may apply.

Our Terminal Illness riders allow for the payment of a portion of an insured's death benefit, on a discounted basis, if the insured has an illness or chronic condition which can reasonably be expected to result in death in 24 months or less. There is no additional premium for this rider.

Our Chronic Illness and Covered Chronic Illness riders allow for the payment of a portion of an insured's death benefit, on a discounted basis, if the insured is Chronically Ill. A chronic illness is defined as one that leaves you unable to perform, without substantial assistance, two of the six normal activities of daily living for a period of at least 90 consecutive days due to a loss of functional capacity or requires substantial supervision to protect oneself from threats to health and safety due to severe cognitive impairment. The six activities of daily living include bathing, continence, dressing, eating, toileting, and transferring. There is no additional premium for this rider.

Our Critical Illness Riders allows for the payment of a portion of an insured's death benefit, on a discounted basis, if the insured is Critically Ill or Critically Injured. Covered critical illnesses are ALS (Lou Gehrig's disease), Aorta Graft Surgery, Aplastic Anemia, Blindness, Cancer, Cystic Fibrosis, End Stage Renal Failure, Heart Attack, Heart Valve Replacement, Major Organ Transplant, Motor Neuron Disease, Stroke or Sudden Cardiac Arrest. Covered critical injuries are Coma, Paralysis, Severe Burns or Traumatic Brain Injury. Covered critical illnesses and covered critical injuries may vary by state. There is no additional premium for these riders.

#### **Accelerated Benefits Riders (ABR) vs. Long-term Care (LTC) Insurance**

Certain states require advertising for ABRs to provide a comparison to the benefits provided by LTC insurance. However, Accelerated Benefits provided by the ABR riders are not long-term care insurance, and are not intended to be the same as, or an alternative to, long-term care insurance.

**This is a life insurance benefit that also gives you the option to accelerate some or all of the death benefit in the event that you meet the criteria for a qualifying event described in the policy. This policy or certificate does not provide long-term care insurance subject to California long-term care insurance law. This policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement (policy or certificate).**

ABR Riders are supplemental benefits that can be added to a life insurance policy and are not suitable unless you also have a need for life insurance. Receipt of benefits may reduce or eliminate the availability of other policy riders and benefits. Benefits available are calculated at time of claim based on the age of the policy and our expectation of your future mortality. The amount of Accelerated Benefit available will depend on your life policy's death benefit value when ABR benefits are claimed. For policies in good standing, if ABR benefits are not used, policy death benefits and other rider benefits are still available.

Long-term care (LTC) insurance is not life insurance, and as such, has no death benefit or cash value. LTC insurance benefits are specified at the time of the contract. LTC benefits are paid as a form of expense reimbursement for qualified long-term care expenses. By comparison, since ABR benefits can be used for any reason, they are paid once qualifications are met, and do not require you to provide receipt of specific expenses to qualify for the benefit. LTC premiums vary based on the level and length of benefit chosen by the policyholder. Premiums are paid on a recurring basis, and failure to pay premiums will generally lapse the policy. If LTC benefits are not claimed, they are typically forfeited. LTC insurance policies may offer non-forfeiture benefits for additional premium.

This is a solicitation of insurance. An insurance agent may contact you.

**This product is a life insurance policy with a rider that accelerates the death benefit on account of chronic illness and is not a health insurance policy providing long-term care insurance subject to the minimum requirements of New York Law, does not qualify for the New York State Long-Term Care Partnership program and is not a Medicare supplement policy.**

No bank or credit union guarantee | Not a deposit | Not FDIC/NCUA insured | May lose value | Not insured by any federal or state government agency

Guarantees are dependent upon the claims-paying ability of the issuing company.

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