

# Accelerated Access Rider

## Frequently Asked Questions

### Rider Availability

#### What products offer the Accelerated Access Rider?

The rider is available on Lifetime Builder ELITE and Lifetime Foundation ELITE.

#### What's included with Accelerated Access?

This version of the rider includes a Critical Illness component that was not present in the first version of the rider. In addition, the calculation for determining the eligible amount has been simplified.

#### Does this rider have a cost?

There is no cost to add this rider. Rider benefits will accrue with interest and the total (benefits plus interest) will reduce the death benefit. The accrued interest effectively is the cost of the rider.

#### Is the rider available in all states?

The rider is not currently available in CA. Please refer to [GlobalAtlanticLife.com](http://GlobalAtlanticLife.com) for future state approval updates.

#### Is the rider available to everyone?

- Issue Ages: 18-75
- Minimum Base Policy Face Amount: \$100,000
- Underwriting Rating: Table 4 or better on the base policy

#### Can the rider be added after the policy has been issued?

No, it is only available at policy issue.

### Qualification Requirements

#### What qualifies someone as being chronically ill?

Chronically Ill or Chronic Illness means that a Licensed Physician has certified in writing that the insured has an illness or impairment, and that as a result of such illness or impairment, the insured has met at least one of the following two conditions during the 90 consecutive calendar days immediately preceding such certification (and is expected to continue to meet at least one of such conditions afterwards permanently):

- a) the insured is unable to perform without Substantial Assistance from another individual at least 2 Activities of Daily Living due to a loss of functional capacity; or
- b) the insured requires Substantial Supervision to be protected from threats to health and safety due to Severe Cognitive Impairment.

The insured will not be considered Chronically Ill unless the Certification Date in the written certification is within the prior 12 months.

### What qualifies someone as being critically ill?

If the Insured becomes Critically Ill with one of the Critical Illness conditions covered under this rider. Critical Illnesses named under this rider are: certain cancers, stroke, heart attack, diagnosis of end stage renal failure, major organ transplant, paralysis, coronary artery bypass, coma, severe burn, and AIDS.

## Eligibility Requirements

### What are the eligibility requirements for receiving rider benefits?

The insured must be either Chronically Ill or Critically Ill; and

- Must have met the applicable elimination periods; and
- Owner must have a written certification from a Licensed Physician in a form acceptable to us, with a Certification Date within the prior 12 months and on file with us, that the insured is chronically ill; and the policy must be in force other than as extended term or reduced paid up insurance, if available; and
- A request for benefits under this rider must be approved by any irrevocable beneficiary or assignee; and

The policy must:

- Have an Accumulated Payout Balance that is less than the Eligible Amount; and
- Not be in the grace period; and
- Not have an existing lien or similar offset as a result of a claim under any other rider attached to the policy that provides for the acceleration of the death benefit.

### Is there a waiting period the policy owner must wait before becoming eligible to receive benefits under the rider?

There is no waiting period.

## Eligible Benefit Amount

### How is the Eligible Amount calculated and can it change?

The Eligible Amount will be based on a percentage of the current death benefit at the time of claim. The percentage varies by attained age at claim. The maximum eligible amount is \$1,000,000.

**Chronic Illness** - The monthly benefit is limited to 2% of the Eligible Amount. The Maximum Monthly Amount is 2% of the Eligible Amount or the IRS per diem limit, whichever is less. In 2020 the IRS per diem is \$380 per day. (\$138,700 annual). As the Eligible Amount is fixed at claim, the Maximum Monthly Amount will only change if the IRS per Diem Limit is the limiting factor. This limit can vary between calendar years.

**Critical Illness** - The maximum benefit is 50% of the death benefit or \$50,000, whichever is less, per Critical Illness event. Two Critical Illness events are allowed during the life of the policy.

### **Can rider payments be used for anything?**

The rider payments are made on an indemnity basis, meaning that they will be paid irrespective of actual costs incurred due to the illness. The insured will not be required to submit expenses or demonstrate any cost.

### **How do benefit payments impact the policy's death benefit and Account Value?**

The Death Proceeds payable to the beneficiary upon death of the insured will be the death benefit reduced by the Accumulated Payout Balance and any other policy loans or liens. Access to the Cash Value of the policy through partial withdrawals is limited to the Net Cash Value in excess of the Accumulated Payout Balance.

### **What happens when 100% of the rider eligible amount has been paid?**

When the Accumulated Payout Balance is equal to or greater than the Eligible Amount, benefits will no longer be payable under this rider and the Accumulated Payout Balance will continue to accrue interest. The policy will remain in force as long as there is sufficient Net Cash Value to cover the monthly deductions. At death of the insured, the death benefit will be reduced by the Accumulated Payout Balance and the remaining amount will be paid to the beneficiary.

When the Accumulated Payout Balance is equal to or greater than the death benefit less the Residual Death Benefit and there is no outstanding policy loan, the policy will become a paid up policy for the amount of the Residual Death Benefit.

## **Additional Rider Information**

### **Can I make additional loans during the rider benefit payout period?**

No loans can be taken while receiving benefits.

### **Can a policy lapse on claim?**

Monthly deductions continue to be assessed while receiving benefits. However, while on claim (currently receiving benefits) if the Net Cash Value is insufficient to cover the monthly deduction, the monthly deduction will be added to the Accumulated Payout Balance and the policy will not lapse.

### **Are premiums required once benefit payments have begun and are they waived due to Chronic Illness?**

The base product is a flexible premium universal life contract and, as such, the timing and amount of premiums are flexible and subject to the discretion of the owner (within limits). However, monthly deductions continue to be assessed while receiving benefits and premiums should still be paid to maintain policy values within the contract.

### **Can the rider be terminated?**

The rider can be terminated and/or benefit payments can be terminated, however, any Accumulated Payout Balance will continue to accrue interest.

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