



National Life  
Group®

# Term Insurance

PROTECTING THE ONES WHO DEPEND ON YOU

This marketing piece is not approved for use in NY.

Products issued by

**National Life Insurance Company®**

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

# We all need help sometimes. 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 life insurance designed to meet a variety of budgets with guaranteed premiums for a specified period of time.
- Want an additional death benefit to supplement permanent life coverage.
- Require a larger amount of insurance.
- Are interested in purchasing term life insurance 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 — or a qualifying diagnosis of Alzheimer's disease or Lewy Body Dementia.





## DEATH PROTECTION TODAY

Protecting who and what you love is a top priority.



## LIVING BENEFITS

Helping you and your budget survive a qualifying illness or injury.



## CONVERSION PRIVILEGES

Flexibility to keep the protection you need and save for the future.

# Our term insurance is a simple way to provide financial security for the people who rely on you — **TODAY** and **TOMORROW**.

Term insurance is often chosen by families and businesses when there's a need for larger amounts of insurance, or coverage is only needed for a limited time. Term insurance can be designed to fit a variety of budgets.

Term insurance can be used as a starter policy to lock in your insurability, and can be converted to permanent life insurance in the future.

## **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

## 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**

- Premiums increase annually based on your age
- Suitable for individuals and/or businesses requiring insurance protection for a short period of time

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<sup>1</sup> LIMRA Barometer Study 2023

Nearly 1 in 2 Americans feel that the loss of the primary household wage earner would be felt financially within six months.<sup>1</sup>



# There's More to Life

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

## Here if you need it.

You can elect to either:

- Receive a portion of your death benefit during your lifetime and leave the remaining portion to your beneficiary
- Leave the entire death benefit to your beneficiary

## Accelerated Benefits Riders

Accelerated Benefits Riders (ABRs) are optional, no-additional cost features that allow you to access all or part of your death benefit in the event of a qualifying terminal illness, chronic illness, critical illness, or critical injury — or a qualifying diagnosis of Alzheimer's disease or Lewy body dementia.

You can choose how to use your benefit, including for:

- nursing home care
- household bills
- living expenses
- home modifications

There are no restrictions on benefit usages with the exception that in the state of Massachusetts, Accelerated Benefits Rider benefits for chronic illness can only be used to pay for expenses incurred for Qualified Long-Term Care services, which 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.

Accelerated Benefit Riders are optional, may be subject to underwriting, exclusions and/or limitations, and may not be available in all states. 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. Whether such benefits qualify

depends on factors such as your life expectancy at the time benefits are accelerated or how benefits are used.

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.

The total payout over the lifetime of the insured is limited to:

- Terminal illness, chronic illness, Alzheimer's disease, or Lewy body dementia: \$1,500,000
- Critical illness or critical injury: \$1,000,000

We reserve the right to change these limits in the future. However, the limit will never be less than \$500,000. Please refer to your policy for specific details about the riders.

## Terminal Illness

Our Terminal Illness rider allows 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 that can reasonably be expected to result in death in 24 months or less. There is no additional premium for this rider.

## Chronic Illness

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 days due to a loss of functional capacity, or illness that 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.

## Alzheimer's Disease and Lewy Body Dementia

This rider allows for payment of a portion of an insured's death benefit, on a discounted basis, if the insured has a qualifying diagnosis of Alzheimer's disease or Lewy body dementia. The rider will not be available if the client has a first-degree relative (mother, father, or siblings) with a history of Alzheimer's disease. There is no additional premium for this rider.

## Critical Illness and Critical Injury

Our Critical Illness and Critical Injury riders allow 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:

- Diagnosis of ALS (Lou Gehrig's Disease)
- Aorta Graft Surgery
- Aplastic Anemia
- Blindness<sup>2</sup>
- Cancer<sup>3</sup>
- Cystic Fibrosis
- End-Stage Renal Failure
- Heart Attack
- Heart Valve Replacement
- Major Organ Transplant
- Motor Neuron Disease
- Stroke
- Sudden Cardiac Arrest

### Covered Critical Injuries:

- Coma
- Paralysis
- Severe Burns
- Traumatic Brain Injury

In California, your policy can only include the Critical Illness, Critical Injury, and Alzheimer's Disease riders if you have health insurance coverage. Critical Illness and Critical Injury availability is limited to issue ages 0–64.

Covered critical illness and injury may vary by state. Please refer to your policy for specific details about these riders. There is no additional premium for this rider.

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

<sup>2</sup> Not a qualifier in CT, IL, KS, MD, MA, MN, NJ, OH, PA, UT, VA, WA.

<sup>3</sup> Invasive Cancer only in CA.

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).

### Accelerated Benefits Riders (ABRs) vs. Long-Term Care (LTC) Insurance

California requires advertising for ABRs to provide a comparison to the benefits provided by Long-Term Care 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.

**Long-Term Care (LTC) Insurance** is not life insurance, and as such, has no death benefit or cash value. Long-Term Care 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, for ABR benefits there is no restriction placed on the use of the accelerated benefits, 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. Long-Term Care Insurance policies may offer non-forfeiture benefits for additional premium.

**Accelerated Benefits 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.

# Conversion — Providing Protection for a Lifetime

An important benefit of Term insurance is the privilege to convert 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 may make sense to convert your term life policy to a permanent policy. This can usually be done without underwriting — meaning you don't have to prove that you're still insurable.

In addition to providing insurance protection for your entire lifetime,<sup>4</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>5</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>4</sup> Assumes all regularly scheduled premiums are paid.

<sup>5</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.

# 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. Conversion is available at any time during the contract conversion period and premiums for the new permanent product will be based on your current (attained) age.

## Contract Conversion.

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

Annual Renewable Term: Ends at age 70 or 10 years from date of issue, whichever is sooner.

Guaranteed Level and Level Term Series:

- 10-Year Term: Ends at age 70 or 10 years from date of issue, whichever is sooner
- 15-Year Term: Ends at age 70 or 12 years from date of issue, whichever is sooner
- 20-Year Term: Ends at age 70 or 15 years from date of issue, whichever is sooner
- 30-Year Term: Ends at age 70 or 20 years from date of issue, whichever is sooner

### For issue ages over 65:

For issue ages above 65, the conversion period ends five 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 Annual Renewable Term 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's Term Rider is an optional rider to automatically provide insurance protection for your children without having a separate policy.

Through the Children's Term Rider you can purchase protection on any child between the ages of 15 days and 16 years. Coverage terminates for each child when they turn age 26.

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 to permanent coverage that is 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.



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Guaranteed Level Term series and Annually Renewable Term life insurance policies, form no. 20521(0518)/ICC18-20521(0518) and associated riders, are underwritten by National Life Insurance Company. Children's Term Rider, form series 20404(0616)/ICC16-20404(0616), and Waiver of Premium Rider, form series 20526(0518)/ICC18-20526(0518), are optional and available at an additional cost.

Accelerated Benefits Riders, form series 7490(0200)/7493(0200)/8765(0609)/ICC10-8843(0310)/20803(0222)/ICC22-20803(0222)/20804(0222)/ICC22-20804(0222), Alzheimer's NL form series: 20817(0622)/ICC22-20817(0622) are underwritten by National Life Insurance Company.

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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