



Living Benefits

Accelerated Benefit Riders

Critical help for critical times.

Living benefits provide peace of mind, safeguard assets, and enhance quality of life for individuals facing health challenges by providing funds for medical treatments and necessary services.

American National's Accelerated Benefit Riders offer the opportunity to receive a partial or full life insurance payment upon diagnosis of a qualifying medical condition.



Living Benefits

Accelerated Benefit Riders offer unrestricted cash payments with no additional premium.

Living benefits in an American National life insurance policy, known as Accelerated Benefit Riders (ABRs), can be utilized during one's lifetime.

These riders provide funds when needed to help with medical expenses or other financial obligations.

The types of ABRs offered include the Terminal Illness Rider, Chronic Illness Rider, and Critical Illness Rider.

With an ABR in your policy, you may be eligible for a partial or full accelerated life insurance benefit if diagnosed with a specific medical condition that impairs your ability to work.¹

A Partial Acceleration pays a portion of the death benefit, while a Full Acceleration pays in lieu of the death benefit and terminates the policy. The accelerated benefit can be received as a lump sum or applied to an annuity for income over a specified period.

Finding Hope in the Face of Terminal, Chronic, and Critical Illness

American National considers future premiums in the calculation of the available benefit. For shorter life expectancies like 24 months, the death benefit is only slightly reduced to account for the loss of two years of premium payments. However, for longer life expectancies like 10 years with a debilitating condition, the death benefit is reduced by a larger amount to account for the loss of 10 years of premium payments.²



Terminal Illness

A terminal illness is an illness that is expected to result in death within 24 months or less.

Imagine going for a routine test and being told by the doctor that you have a maximum of six months to live. How would you cope with this news?

Additionally, how would you handle the challenges of being unable to work and provide for your family, as well as the mounting medical bills?



Chronic Illness

Chronic illnesses are characterized by an individual's inability to perform certain day-to-day activities.

In the United States, six out of ten adults have a long-term chronic disease, and four out of ten have multiple chronic diseases.

With such high numbers, it is likely that the majority of Americans will experience a debilitating chronic illness at some point in their lives.



Critical Illness

Critical illnesses specifically refer to health conditions like heart attacks and strokes.

It's important to note that critical illnesses don't only affect older Americans; younger people can also experience conditions like cancer, heart attacks, and strokes. Regardless of age, these issues can create similar challenges.³

A photograph of a man with a beard, wearing a brown sweater, sitting in a wheelchair. He is looking down and to the right. Behind him, a woman with blonde hair, wearing a light blue sweater, is standing and looking towards the camera with her hand near her chin. The background is a soft, out-of-focus blue.

Living benefits, real lives.

The following are actual cases of individuals filing a claim for accelerated benefits on their life insurance policies.

While the product, amounts in force, amount requested, and final disposition are factual, the names and specific situations have been changed to protect the privacy of the recipients.

Living benefits, real lives.



Bonnie Thomas
\$234,364.24

Bonnie and Bill, a couple with three children, purchased \$250,000 Signature Guaranteed Universal life insurance policies from American National, which included Accelerated Benefit Riders.

Bonnie was later diagnosed with stomach cancer that had spread to her liver, causing financial struggles. They submitted a claim for the Accelerated Benefit Rider and received an offer of \$234,364.24 based on Bonnie's reduced life expectancy.

Although Bonnie didn't live to see their planned trip to Disney World, the funds helped make her final days positive and happy. The family was grateful for the opportunity to prioritize quality time together, and the remaining funds were used for their children's future education and childcare expenses.

Rachael Roberts, a diligent 38-year-old, faced a life-altering diagnosis of Multiple Myeloma.

Her illness caused financial strain as she depleted her savings while unable to work. Remembering her life insurance policy's Accelerated Benefit Riders, Rachael contacted her insurance agent and submitted the necessary paperwork.

American National determined her life expectancy and offered her \$51,860.10, 69.15% of the policy's face value, including a fee. Rachael accepted the offer, allowing her to meet financial obligations and remain in her condominium.

The living benefit provided by the policy was more valuable to her in her current situation than the death benefit.



Rachael Roberts
\$51,860.10



Robert Sanchez
\$733,062.00

In 2014, at the age of 62, **Robert Sanchez** purchased an Indexed Universal Life Insurance policy from American National, with a coverage of \$882,680 and a monthly premium of \$1,251.15.

In January 2015, Robert was diagnosed with invasive esophageal cancer and was unable to work. His insurance agent suggested filing a claim under the Critical Illness Rider of his policy. After a review, it was determined that Robert had a 17.5% chance of living for five years.

American National offered a full benefit of \$733,062, which was 78% of the death benefit. Robert and his wife accepted the offer, allowing them to pay their bills and have money for future medical expenses.

Robert continues to receive treatment without worrying about the financial aspect.

Isabella and Luis Martinez purchased two Indexed Universal Life insurance policies to secure a death benefit and supplemental retirement income. Isabella, age 49, looked forward to the additional income in retirement.

However, after a year, Isabella was diagnosed with colon cancer, leading to expensive medical bills and financial stress. They contacted their American National agent, who guided them through the claim process.

American National determined a 12.9% chance of survival for five years, qualifying as a terminal condition. They received an offer of \$120,522.74, allowing them to pay off medical bills and cover future expenses and lost wages.

Isabella continues treatment with reduced financial stress, highlighting the value of the Living Benefits in the policy.



Isabella Martinez
\$120,522.74

This brochure is not intended for distribution or promotion of riders available in California. Please see brochure 10743-CA for information on Accelerated Benefit Riders available in California. This brochure is not available for use Oregon.

- 1) The benefit is subject to an administrative fee of up to \$500 and an actuarial discount that will be assessed when the benefit is elected. The maximum administrative fee may vary by state.
- 2) Claims will not be processed until at least thirty days after the qualifying illness has occurred.
- 3) Critical Illness is not available in NY.

Accelerated Benefit Rider Notice

Policy Form Series: ABR14-CT; ABR14-CH; ABR14-TM (ND & SD Form Series ABR22-CT; ABR22-CH; and ABR22-TM); ABR14-TM(NY); ABR14-CH(NY). Forms will vary by state and may not be available in all states. Have your agent refer to rider forms for a complete list of illnesses and definitions. Some states may limit the definition of terminal illness to conditions that are expected to result in death within 12 months. The riders are subject to an administrative fee of up to \$500 and an actuarial discount that will be assessed when the benefit is elected. The amount of the actuarial discount is primarily dependent on American National's determination of the insured's life expectancy at the time of election. Outstanding policy loans will reduce the amount of the benefit payment. The accelerated death benefit is an unrestricted cash payment. The Chronic and Terminal Illness Riders are intended to receive favorable tax treatment under 101(g) of the IRS. Receipt of a benefit could be a taxable event. You should consult a tax advisor regarding the tax status of any benefit paid under these riders. Receipt of accelerated benefits may affect your eligibility for Medicaid, supplemental security income, or other governmental benefits or entitlements. Before accelerating any benefit you should consult an advisor to determine the impact on your eligibility. Accelerated Benefit Riders are not replacements for 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 is not a Medicare supplement policy.

Accelerated Benefit Riders ("ABR") and long-term care insurance ("LTCI") provide different types of benefits. An ABR allows the insured to access a portion of the life insurance policy's death benefit while living and may be used for any purpose.

LTCI provides reimbursement for necessary care received due to the inability to perform activities of daily living or cognitive impairment. Coverage may include reimbursement for the cost of a nursing home, assisted living, home health care, homemaker services, adult day care, hospice services or respite care for the primary caretaker. The benefits may be conditioned on certain requirements or meeting an elimination period or limited by type of service, the number of days or a maximum dollar limit. Benefits under some ABRs and all LTCI are conditioned upon the insured not being able to perform two or more of the activities of daily living or being cognitively impaired.

Neither American National 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.

New York Chronic Illness Rider: This product is a life insurance policy 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.

American National Insurance Company, headquartered in Galveston, Texas is licensed to conduct business in all states except New York. Business is conducted in New York by American National Life Insurance Company of New York, headquartered in Glenmont, New York. Each company has financial responsibility only for the products and services it issues.



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