**Comments on Term Life Overview Sample (Post UW)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Current Language** | **ACLI Comments** | **CEJ Comments** | **Brenda Cude Comments** | **Chair’s Suggested Edits** |
| **Introduction** |  |  |  |  |
| This document lists this product’s key features and benefits. You can get a similar summary of key product features from other insurance companies to help you compare similar products. If you have questions about this particular life insurance product, ask the agent, broker, advisor, or a company representative offering this product for clarification. If you have questions about life insurance products generally or about company or agent licensing, contact [insert reference to state department of insurance]. |  | This document lists this insurance policy’s ~~product’s~~ key features and benefits. You can get a similar summary of key product features from other insurance companies to help you compare similar products.  If you have questions about life insurance ~~products~~ generally or other types of policies, the National Association of Insurance Commissioners has useful information at <https://content.naic.org/consumer/life-insurance.htm/> . You can find out more about the insurance company and the agent, including complaint and license information at [insert reference to state department of insurance].  If you have questions about this particular life insurance policy ~~product~~, ask the agent, broker, advisor, or a company representative offering this product for clarification.  \*\*\*\*\*\*\*\* | Comment: In the rest of the document, the term policy is used, not product. I prefer policy.  This document lists this product’s key features and benefits. You can get a similar summary of key product features from other insurance companies to help you compare similar products. If you have questions about this particular life insurance product, ask the agent, broker, advisor, or a company representative ~~offering this product for clarification~~. If you have questions about life insurance products generally or about company or agent licensing, contact [insert reference to state department of insurance].  ~~Prepared by Agent Joe Smith, 111 Main St., Kansas City, MO~~  \*\*\*\*\*\*\*\* | This document lists this insurance policy’s key features and benefits. You can get a similar summary of key policy features from other insurance companies to help you compare similar policies.  If you have questions about life insurance generally or other types of policies, the National Association of Insurance Commissioners has useful information at https://content.naic.org/consumer/life-insurance.htm/  If you have questions about this particular life insurance policy, ask the agent, broker, advisor, or a company representative.  If you have questions about company or agent licensing, contact [insert reference to state department of insurance]. |
| **Information about the Insured** |  | **Information We Use Determine Your Annual premium ~~about the Insured~~** |  | **Information about the Insured**  **Jennifer & Richard to tweak** |
| **Insured**  This overview is prepared for Mr. and Mr. Smith. | Comment: This line should only reference the proposed policy owner.  John Smith and Jane Smith. |  |  | **Policy Owner and Insured**  This overview is prepared for John Smith for insurance on the life of John Smith. |
| **Age and Sex of the Insureds at Policy Issuance**  Mr. Smith 35, Male  Mrs. Smith 38, Female | Comment: A company representative observes that it seems odd to include in this Sample Overview discussion of a joint life insurance policy when the majority of term life insurance sales are single owner policies.  ~~Mr.~~ John Smith 35, Male | **Information We Obtain From You**  Age  Sex  Family History  Tobacco Use  Occupation  Hobbies  Information We Obtain from Sources Other Than You  Credit Reports  Motor Vehicle Registration  Auto, Home and other Insurance Claims  Driving Records  Medical Prescriptions  Criminal History |  | **Age and Sex of the Insureds at Policy Issuance**  John Smith 35, Male |
| **Risk Class**  Preferred, non-smoking. | John Smith, Preferred, non-smoking. | **How We Assess Your Risk ~~Class~~**  We have X rate levels for (smokers/non-smokers).  Our preliminary assessment is that your premium will be based on the Y best of the X levels.  ~~Preferred, non-smoking.~~ |  | **How We Assess Your Risk**  We have X rate levels for (smokers/non-smokers).  Our assessment is that John Smith’s premium will be based on the Y best of the X levels**.** |
| **Cost Information** |  |  |  |  |
| **What are the costs of this Life Insurance Policy?**  The premium is – per month.  The premium must be paid either monthly, quarterly, semi-annually or annually. If you pay premiums monthly, quarterly, or semi-annually the total premium will be greater than if you pay annually. |  | The premium is $AAA annually or $BBB quarterly or $CCC monthly. ~~– per month.~~  If you pay other than the entire annual premium, the sum of your monthly or quarterly payments will be more than the annual premium amount. ~~The premium must be paid either monthly, quarterly, semi-annually or annually. If you pay premiums monthly, quarterly, or semi-annually the total premium will be greater than if you pay annually.~~ | Comment: annualy, or xx per (payment plan consumer chooses),  You may pay the premium ~~must be paid either~~ monthly, quarterly, semi-annually or annually. If you pay premiums monthly, quarterly, or semi-annually the total premium you pay will be greater than if you pay annually. | The premium is $AAA annually or $BBB quarterly or $CCC monthly.  You may pay the premium monthly, quarterly, semi-annually or annually. If you pay premiums monthly, quarterly, or semi-annually the total premium you pay will be more than if you pay annually. |
| **Will my premium ever change?**  No, the premium is guaranteed to remain level for the term of the policy. After that term expires, the premium will increase annually if you chose to renew the policy. |  | No, the annual premium won’t change for this policy. The annual premium is guaranteed to remain to stay the same ~~level~~ for the term of the policy. After that term ~~expires~~ ends, if you are permitted to continue the coverage, the premium will likely increase annually. ~~If you chose to renew the policy.~~ | No, the premium won’t change for this policy. The premium is guaranteed to stay the same ~~remain level~~ for the term of the policy. After that term ends ~~expires~~, the premium will increase ~~annually~~ each year if you choose to renew the policy. | **Will my premium ever change?**  The premium will stay the same for the initial term of the policy. After that term ends, the premium will increase each year if you choose to renew the policy. |
| **Are there any costs if I decide to cancel the policy?**  No, there are no costs to cancel this policy. However, this policy does not accumulate cash value and you will not receive any return of the amount of premiums paid |  | **Are there any costs if I decide to cancel the policy? Do I get any money back if I cancel the policy?**  However, if you do cancel the policy, you won’t get any money back. ~~this policy does not accumulate cash value and you will not receive any return of the amount of premiums paid~~ | No, there are no costs to cancel this policy. However, if you do cancel this policy, you won’t get any money back. ~~this policy does not accumulate cash value and you will not receive any return of the amount of premiums paid~~ | **Are there any costs if I decide to cancel the policy? Do I get any money back if I cancel the policy?**  No, there are no costs to cancel this policy. However, if you do cancel this policy, you won’t get any money back. |
| **Can I lower the death benefit amount to reduce premium?**  No | Comment: It is not clear that this is permitted in all, most or any jurisdictions or by all, most or any companies. To adjust the death benefit amount by reduction of premium substantially alters the proposed bargain and is tantamount to soliciting presentment of a new offer of a policy and, hence, new disclosures and a new overview. Further, this proposed element addresses a process question & answer rather than describe a static policy element. |  | **After I buy this policy can I reduce ~~lower~~ the death benefit amount and pay a lower ~~to reduce~~ premium?**  No. You can’t change the terms of this policy after you buy it. | Remove |
| **Policy Information** |  |  |  |  |
| **What is the name of this product?**  This is a joint spouse policy to be issued in Wisconsin called Guaranteed Level Term. |  |  |  | **What is the name of this product?**  This is a policy to be issued in Wisconsin called Guaranteed Level Term. |
| **Does the policy ever expire?**  Yes, you have chosen a 20-year term. Once the term expires, there is an option to renew this policy each year until both insureds reach 95 but the cost of this policy will increase every year after the initial term. | Comment: Discussion of premium is addressed in the “Cost Information” section. Further, the phrase proposed for deletion may confuse a consumer by introducing an uncertain, elective, future dynamic beyond simple disclosure of the current policy information. The phrase should be deleted for either and both reasons.  Yes, you have chosen a 20-year term. Once the term expires, there is an option to renew this policy each year until both insureds reach 95 ~~but the cost of this policy will increase every year after the initial term~~. | **Does the policy ever expire? What is the term of the policy?**  Yes. The policy ends when the term of coverage you chose (20 years) ends, as long as you renew your policy by paying your premiums on time. ~~you have chosen a 20-year term. Once the term expires, there is an option to renew this policy each year until both insureds reach 95 but the cost of this policy will increase every year after the initial term.~~ If the policy has an option to extend coverage beyond the 20 year term, that option is shown in the Additional Policy Benefits section. | Yes. The policy ends when the term you choose (20 years) ends but you can choose to renew this policy each year until both of you are age 95. ~~, you have chosen a 20-year term. Once the term expires, there is an option to renew this policy each year until both insureds reach 95 but~~ The cost of this policy will increase every year after the initial term ends. | **Does the policy ever expire? If so, what is the term of the policy?**  Yes. The policy ends when the term you choose (20 years) ends but you can choose to renew this policy each year until you are age 95. |
| **What is the death benefit?**  The death benefit is $500,000. The death benefit is paid upon the death of the first spouse. |  | The death benefit is $500,000. The company will pay the death benefit when you/one of you/dies ~~is paid upon the death of the first spouse~~. | The death benefit is $500,000. The company will pay the death benefit when one of you dies. ~~is paid upon the death of the first spouse.~~ | The death benefit is $500,000. |
| **Can the death benefit change?**  No, the death benefit will not change unless you request additional coverage. |  | No. The death benefit will stay the same unless you ask, and the insurance company agrees, to increase it. The death benefit can’t be reduced for this policy. ~~not change unless you request additional coverage.~~ | No. The death benefit will stay the same unless you ask to change. ~~not change unless you request additional coverage.~~ | No. The death benefit will stay the same unless you ask, and the company agree, to increase it. |
| **Can I take a loan from my policy?**  This policy does not have any loan options. |  | No. You can’t borrow money from this policy.  ~~This policy does not have any loan options.~~ | No. You can’t borrow money from this policy. ~~This policy does not have any loan options.~~ | No. You can’t borrow money from this policy. |
| **Additional Policy Benefits** |  |  |  |  |
| **Does the policy have a waiver of premium option?**  Yes, this policy includes a waiver of premium rider that allows you to not pay premiums if you have been totally disabled for at least 4 months. This rider has an additional cost. |  | Yes, you can buy ~~this policy includes~~ a waiver of premium rider for an extra cost. A waiver of premium rider for this policy means you won’t have to ~~that allows you to not~~ pay premiums after you’ve ~~if you have~~ been totally disabled for at least 4 months. ~~This rider has an additional cost.~~ | Yes, you can buy ~~this policy includes~~ a waiver of premium rider for an extra cost. A Waiver of premium rider for this policy means you won’t have to ~~that allows you to not~~ pay premiums ~~if you have~~ after you’ve been totally disabled for at least 4 months. ~~This rider has an additional cost.~~ | Yes, you can buy a waiver of premium rider for an extra cost. A Waiver of premium rider for this policy means you won’t have to pay premiums after you’ve been totally disabled for at least 4 months. |
| **Can I convert this policy to another type of life insurance?**  Yes, this policy may be converted to a permanent life insurance policy prior to the end of the policy term and before you reach age 70. |  | Yes, you can convert this policy ~~may be converted~~ to a [whole/universal/indexed universal] ~~permanent~~ life insurance policy before [x] years before ~~prior to~~ the end of the policy term and before you reach age [zz] ~~70~~. The annual premium will change if you use this option. | Yes, you can convert this policy ~~may be converted~~ to a whole ~~permanent~~ life insurance policy before ~~prior to the end of~~ the policy term ends, as long as you’re younger than ~~and before you reach~~ age 70. | Yes, you can convert this policy to a whole life insurance policy before the policy term ends, as long as you’re younger than age 70. |
| **Can I extend the term of coverage?**  Yes, this policy may be renewed annually up to age 95 after the initial term expires. The cost of the policy will increase each year the policy is renewed. |  | Yes. After the initial term of coverage ends, you can renew this policy ~~may be renewed annually up to~~ until you/one of you/both of you are age [xx] ~~95 after the initial term expires~~. ~~The cost of the policy will increase each year the policy is renewed.~~ It is very likely that the annual premium will then increase and increase each year you renew. | Yes. After the initial term ends, you can renew this policy until both of you are ~~may be renewed annually up to~~ age 95. ~~after the initial term expires.~~ The premium ~~cost of the policy~~ will increase each year you renew the policy ~~is renewed~~. | Yes. After the initial term ends, you can renew this policy until you are age 95. The premium will increase each year you renew the policy. |
| **Are there optional riders available for this policy?**  Yes, optional riders are available. To learn what riders are available and their cost, talk to your insurance agent or a company representative. |  | **Are there other policy enhancements - optional riders available ~~for this policy~~?**  Yes, there are other policy enhancements – known as riders. Ask the agent, broker, advisor, or a company representative offering this product about them. ~~optional riders are available. To learn what riders are available and their cost, talk to your insurance agent or a company representative.~~ | Comment: But not a broker or advisor listed earlier?  Yes, there are optional riders ~~are available~~. To learn what riders are available and their cost, talk to your insurance agent or a company representative. | **Are there other policy enhancements or optional riders available for this policy?**  Yes, there are other policy enhancements – known as riders. Ask the agent, broker, advisor, or a company representative offering this product about them. |
| **Does this policy have any living benefit options?**  Yes, there is an optional living benefit rider available for an additional cost. |  | **Is there a policy option for a benefit while I’m/we’re alive? ~~Does this policy have any living benefit options?~~**  Yes, [for additional premium], you can get part of your death benefit before you die if you are terminally ill. ~~there is an optional living benefit rider available for an additional cost.~~ | Comment: Explain what this is?  Yes. You can buy ~~there is~~ an optional living benefit rider ~~available~~ for an extra ~~additional~~ cost. | **Is there a policy option that allows me to access by death benefit while I’m alive?**  Yes, for additional premium, you can get part of your death benefit before you die if you are terminally ill. |
| **Does this policy accumulate cash value?**  No. |  | No. This policy is not an investment and provides no cash benefits other than the death benefit. |  | No. This provides no cash benefits other than the death benefit. |
|  |  | **Added another question to document to Additional Policy Benefits.**  **Can I get a discount for a healthy lifestyle? Does the insurer offer products or services to help me stay healthy?**  **Yes. You can get a discount if you [wear a device/bicycle 20 miles 3 times a week, walk 20,000 steps a day]** |  |  |