

# Accidental Death Benefits Limits & Guidelines

- 1. Do NOT sell the Special Accidental Death Benefit Rider (B2000, aka: SADB or SDI) & the Accidental Death Benefit Rider (ADB, aka: DI) on the same person.**
  - a. If both are sold on new application, we will exclude the ADB and keep the B2000.
  - b. If one is in force on previous coverage, and the other is requested on a new application, we will exclude the benefit requested on the new application.
  - c. ADB can be sold on multiple policies that cover the same life, as long as the total of all policies do not go over the maximum allowed.
- 2. Issue Age Information:**
  - a. ADB and B2000 cannot be sold under age 5.
  - b. ADB maximum age is 64.
  - c. B2000 maximum age is 72.
- 3. Child ADB & B2000:**
  - a. ADB on a child cannot exceed the face amount of the whole life application currently being underwritten. (existing coverage face amount does not count)
  - b. Single B2000 is OK for any face amount of child whole life.
  - c. Double B2000 is OK for child whole life face amounts of \$20,000 or more.
  - d. NO ADB or B2000 for grandparent or guardian as owners without parental consent
    - i. Obtain parent signature on application if present.
    - ii. Provide a fully completed Part 1 Child Coverage questionnaire to provide parent contact info.
- 4. Adult ADB Limits:**
  - a. MAXIMUM of \$300,000 per person in any combination, including existing coverage.
  - b. \$300,000 maximum includes any ADB, SADB from life policies & the Common Accident AD&D benefit from the A71000 & A74000 as well as any IG coverage:
    - i. A71000 counts as \$10,000 per unit towards the maximum ADB allowed
    - ii. A74000 counts as \$10,000 per unit towards the maximum ADB allowed
    - iii. IG policies count as the amount the IG is issued at (never will be more than \$25,000 ADB)
    - iv. Single B2000 counts as \$10,000 towards the maximum ADB allowed.
    - v. Double B2000 counts as \$20,000 towards the maximum ADB allowed.
  - c. Limit the combo sale of ADB or B2000, A71000 & A74000 to 3 units total (and 2 units of any one type)
    - i. Example: Single B2000, Single A71 and Single A74
    - ii. Example: Double B2000, with a single A71 OR a single A74
    - iii. Example: Double A71 with a single B2000 or a single A74. (Exceptions: States that allow 4 units of A71, or any 3 unit plan will count as 2 units for this guideline)
    - iv. The ADB for all policies will count the same as 1 unit (single) B2000.