

Legacy Optimizer

Application Process and Field Guide

Simple application process.
Simple underwriting.
Immediate answers.



North American Company
for Life and Health Insurance
Since 1886

| *Life*

All the features you expect... but now with simplicity.

Legacy Optimizer is an Indexed Universal Life Insurance product designed to provide death benefit protection in a single premium¹ and help your client make the most out of the legacy they leave behind.

Plus, Legacy Optimizer offers Accelerated Death Benefit features with no extra premium, which means your clients may be able to utilize a portion of the death benefit while they are living. Your client also maintains control of the cash value if needed for other emergencies through withdrawals, loans, and guaranteed return of premium.²

But what would a simple product be without a simple application process? No blood work. No doctor visit. No exam. No hassle. No wait.³

Contents

Start to Finish Process: What to Expect.....	3
Home Office Review and Other Considerations.....	6
Definitions	6
Submitting the Application	7
Is Legacy Optimizer Suitable for Your Client?	9
Premium and Specified Amount Limits	10
Pre-Qualifying Questionnaire	11
Build Chart Height and Weight Requirements	12
More Information	13
Appendix A - Impairments.....	14
Appendix B - Tobacco Use Definitions, Temporary Insurance Coverage, and Policy Changes	16

Start to Finish Process: What to Expect

This process is quick and easy. Once the application has been submitted, your client will complete the telephone interview. Your client can be medically approved after approximately 15-20 minutes. The case will be formally approved within approximately two business days at the Home Office. Here's what you can expect throughout this process—start to finish.

Before you begin:

Discuss product suitability

First, discuss the total value of the combined liquid assets including bank accounts, retirement accounts, stocks, bonds, money market accounts, CDs and annuities to ensure the suitability of your client for Legacy Optimizer. A brief questionnaire can be found on page 9 of this brochure.

Discuss pre-qualification questions

Next, walk through the pre-qualification questions to ensure your client is a good candidate for Legacy Optimizer. These questions can be found on page 11 of this brochure.

Consider the list of impairments

In addition to the pre-qualification questions, you'll also want to familiarize yourself with the list of impairments that could disqualify your client from Legacy Optimizer. See page 14 of this brochure for this list.

Gather the needed documentation

Make sure you have key client information on hand, including beneficiary information, social security number, driver's license, date of birth, lists of prescription medications and a list of liquid assets.

Now you're ready to submit your client's application!

Submit the App



Complete and submit your application with ease through North American's electronic application feature, SimpleSubmit® e-app.

Contact your managing general agency (MGA) for more information about accessing SimpleSubmit. If your MGA doesn't offer SimpleSubmit, go to the Simple Submit e-app section of www.NorthAmericanCompany.com.

Learn more about application options on page 7.

Complete the Tele-interview



Once you've submitted the application, contact Elite Sales Processing, Inc. (ESP, Inc.). As an agent, you must initiate the call in order to answer a few questions. Your client will then answer questions about their liquid assets and medical history.

ESP, Inc. Phone Number:

888-801-5118

ESP, Inc. Hours:

Monday - Thursday:

9:00 AM to 10:30 PM Eastern Time

Friday:

9:00 AM to 6:00 PM Eastern Time

Tele-interviews are available in English only.



Don't Forget to Include the Illustration

Whether you choose to submit your application online or by paper, you will be required to include either a signed illustration or a signed Statements About Life Insurance Illustrations form.

If using Simple Submit e-app, you will be prompted through the software for the illustration or to sign the Statements About Life Insurance Illustrations form.

All cases will require the signed illustration before the policy is issued. If an illustration is not included with the application, a delay in policy issue will occur.

When ESP, Inc. Is Reached

- ✓ You will need to provide your name, agent number or code (if known), policy number from the e-app as well as the applicant's full legal name, residence address, date of birth, social security number, gender, state of birth, country of birth, and occupation. Please have this information on hand.
- ✓ MIB data and a Prescription Report will be ordered and reviewed by ESP, Inc. staff. Simultaneously, the tele-interview will be completed.
- ✓ If the information provided on the application is inconsistent or contradictory with the MIB data or Prescription Report, your client will be asked to clarify his or her answers.
- ✓ After the interview is completed, ESP, Inc. will ask your client to put the agent back on the phone. The agent will be advised of the decision.

A Decision is Made



After the interview is completed, ESP, Inc. will immediately advise you if your client is medically approved.

The decision will either be:

- Medically approved subject to Home Office review
- Declined
- Incomplete/withdrawn/cancelled

If the decision is declined or incomplete, there are situations where the decision can be referred to the ESP, Inc. underwriter for a closer look. See page 6 under Definitions for more details on the Refer to Underwriter scenario.

When ESP, Inc. is Not Reached

- ✓ If ESP, Inc. is not available or if it is after hours, leave your contact information along with the client's contact information.
 - Leave your name, phone number and agent code (if known). Leave your client's name, date of birth, social security number, phone numbers and policy number (if known).
- ✓ ESP, Inc. will call twice a day for the first 7 days and then once a day after that. ESP, Inc. will attempt to reach your client for 21 days. ESP, Inc. will leave a message with a call back number if they do not reach the client.
- ✓ Visit the agent portal for daily updates on the status of all calls to the client.
- ✓ After the interview is completed, ESP, Inc. will contact the agent with the decision in order to advise your client.

NEXT STEPS IF MEDICALLY APPROVED:

- ✓ Money is required to be received on all cases prior to issue.
- ✓ A signed illustration will be required prior to issue.
- ✓ A signed delivery receipt will be required in all states when the case is delivered.

Home Office Review and Other Considerations

Restrictions may apply to the Legacy Optimizer product.

1. If the client applied for the Rapid Builder® Indexed Universal Life Insurance product or XL-EC (Midland National) within six months and is table rated, he or she will not be eligible for Legacy Optimizer.
2. If the client was postponed/declined on any product in the past or rated higher than Table 4, he or she may be ineligible for Legacy Optimizer.
3. The client must be either a U.S. Citizen or have a U.S. permanent resident card (green card) to be eligible for Legacy Optimizer.
4. Legacy Optimizer must be found to be suitable for the client upon the suitability review (more information found on page 9).

Definitions

Incomplete: During the process, an incomplete decision can result from three different scenarios:

- Incomplete due to MIB: Information is developed during the tele-interview that indicates a medical history exists, but the exact details were not able to be verified by the client.
- Incomplete due to undeveloped details: Information is developed during the tele-interview that indicates concerning medical history exists but the exact details were not able to be verified by the client.
- Incomplete due to outstanding requirements: Requirements, such as a required form, were requested from the Home Office but were not received.

Withdrawn/cancelled: The client indicates that he or she would like to cancel or withdraw prior to ESP, Inc. asking the questions on the tele-interview, or ESP, Inc. was not able to reach the applicant in the 21-day timeframe.

Refer to Underwriter: If the case is declined due to the Prescription Report or incomplete due to MIB data, the client can provide further clarification for possible reconsideration. During this process, the client will answer a few more questions during the tele-interview and the case will be referred to an ESP, Inc. underwriter. After reviewing, ESP, Inc. will advise you within 24-48 hours whether or not the case was medically approved.

Appeal Process: If an adverse or incomplete decision is made based on the application, MIB data or Prescription Report, some decisions can be appealed. Contact ESP, Inc. by phone (888-839-7979) or by email at uwadmin@espsvcs.com to determine if the decision can be appealed.

Submitting the Application

When it comes to submitting your Legacy Optimizer applications to North American, there's perhaps no better option than SimpleSubmit® e-app.



Online Applications

Through North American's online application feature, SimpleSubmit e-app, you can submit your Legacy Optimizer cases efficiently, effectively and electronically. Here are just a few reasons to use SimpleSubmit e-app for your application submissions:

- Ensures your application is in good order to improve turnaround time
- Reduces overall approval time
- Signing flexibility—multiple signature options including email e-sign
- Helps speed up commission payout

Not sure how to start using SimpleSubmit e-app? The process is simple and convenient. Contact your managing general agency (MGA) for more information about accessing SimpleSubmit. If your MGA doesn't offer SimpleSubmit, go to the SimpleSubmit e-app section of www.NorthAmericanCompany.com.



Paper Applications

While using SimpleSubmit e-app is the fastest and easiest way to submit your applications, paper application submission is still available. If you choose to submit a paper application, please ensure the illustration and HIPAA forms are also submitted to avoid delays. Please contact ESP, Inc. immediately after mailing or faxing the application.

The paper application must be mailed or faxed prior to calling ESP, Inc. You can learn more about submitting your applications on the New Business section on www.northamericancompany.com.

Fax or mail applications to:

Fax	Regular Mail	Overnight Mail
Amber Team: 855-714-4507 Amethyst Team: 855-714-4510 Emerald/Diamond Team: 800-951-9430 Ruby Team: 800-978-7959 Sapphire Team: 855-288-8150 Topaz Team: 855-714-4511	North American P.O. Box 5089 Sioux Falls, SD 57117-5089	North American One Sammons Plaza Sioux Falls, SD 57193-0001

Faxing the application is the best option to avoid any delays with policy issue.



Acceptable Forms of Payment

Money can be collected through check or wire transfer, electronic fund transfer (EFT) or 1035 exchange. Wait until the case is medically approved by ESP, Inc. to arrange a wire transfer or to send a check.

Premium financed loan or reverse mortgage transaction/home equity loans are not acceptable payment options.

Is Legacy Optimizer Suitable for Your Client?

Suitability is important when it comes to Legacy Optimizer in terms of putting your client's money to work both sensibly and prudently. If the desired lump sum is to be suitable, your client must still have sufficient funds remaining to pay his or her monthly expenses.

You must have a reasonable basis for believing that Legacy Optimizer meets your client's needs and objectives. Considering age, health status and other aspects of your client's personal and financial situation is crucial.

For Legacy Optimizer, there are a few questions that will need to be answered by your client to determine if the product and amount of premium is financially suitable for his or her needs. Those questions are outlined below:

Suitability Questionnaire

What is the lump sum to be placed in the policy?

Lump Sum Amount:

After placing this amount into the policy, will your client have sufficient funds remaining to pay his or her typical monthly expenses?

(Answer must be "Yes" to be eligible for Legacy Optimizer)

☐ Yes ☐ No

Please provide details about your client's assets, which include bank accounts, retirement accounts, stocks, bonds, money market accounts, CDs, and annuities.

What would you estimate the total value of these combined assets to be?



Suitability requirements for underwriting

In the underwriting process, your client’s liquid assets will be evaluated to determine if the Legacy Optimizer product is suitable. Liquid assets consist of bank accounts, retirement accounts, stocks, bonds, money market accounts, CDs, and annuities. The following suitability requirements are considered in the underwriting process:

Suitability Requirements	
Liquid Assets	Percentage Allowable
Liquid assets up to \$250,000	30% of liquid assets up to the maximum premium limits allowed by age
Liquid assets up to \$1 million	40% of liquid assets up to the maximum premium limits allowed by age
Liquid assets greater than \$1 million	Up to the maximum premium limits allowed by age

Premium and Specified Amount Limits

Premium Limits	
Minimum Premium Limit	\$25,000
Maximum Premium Limit	Issue ages* 50-59: \$150,000 Issue ages* 60-80: \$200,000

*Issue ages are based on age last birthday.

Examples:

Age 50
If the liquid assets are \$150,000, a maximum single premium of \$45,000 is acceptable.

Age 55
If the liquid assets are \$500,000, a maximum premium of \$150,000 is acceptable. While 40% of the liquid assets is \$200,000, the maximum premium limit for this age is \$150,000.

Pre-Qualifying Questionnaire

Take a few moments to ask your client these common pre-qualification questions for a quick way to help determine if your client is a good fit for Legacy Optimizer.

All of the following questions must be answered No. If Yes, your client will not be eligible for Legacy Optimizer.

In the past two years, have you been declined for life insurance?

☐ Yes ☐ No

In the past three years, have you been convicted of a DUI or reckless driving?

☐ Yes ☐ No

Are you currently in a hospital, nursing home, long-term care facility or receiving hospice or home health care?

☐ Yes ☐ No

Other than for routine care or tests related to the HIV virus, in the past 12 months, have you been advised by a licensed medical professional to see a medical specialist or have an in-patient surgery, biopsy, hospitalization, diagnostic test or procedure, which has not been completed or the results are unknown?

☐ Yes ☐ No

In the past five years, have you been convicted of a felony or are you currently on parole or probation?

☐ Yes ☐ No

Are you currently receiving assistance or supervision with eating, bathing, dressing, walking, toileting, or getting up out of a chair?

☐ Yes ☐ No

Have you been diagnosed with a terminal illness with a life expectancy of 24 months or less?

☐ Yes ☐ No

Have you ever been diagnosed with a serious medical condition found on page 14 of this document?

☐ Yes ☐ No

The final two questions must be answered Yes. If No, your client will not be eligible for Legacy Optimizer.

Do you have either U.S. citizenship or a U.S permanent resident card (green card)?

☐ Yes ☐ No

Have you seen a medical professional in the past 12 months? (Age 71+ Only)

☐ Yes ☐ No

Build Chart - Height and Weight Requirements

Male and Female		
Height	Minimum	Maximum
4' 6"	68	175
4' 7"	71	182
4' 8"	74	189
4' 9"	77	196
4' 10"	79	203
4' 11"	82	210
5' 0"	85	217
5' 1"	88	224
5' 2"	91	232
5' 3"	94	239
5' 4"	97	247
5' 5"	100	255
5' 6"	103	263
5' 7"	106	271
5' 8"	109	279
5' 9"	112	287
5' 10"	115	296
5' 11"	119	304
6' 0"	122	313
6' 1"	126	322
6' 2"	129	331
6' 3"	133	340
6' 4"	136	349
6' 5"	140	358
6' 6"	143	367
6' 7"	147	377
6' 8"	151	386
6' 9"	154	396



More Information

Legacy Optimizer Sales Tool

Find the information you need to help take Legacy Optimizer to your clients with the interactive and mobile friendly Sales Tool available at www.NALegacy.com.

Contact Sales Development

Questions? Need help with illustrations? The team at North American is here to support you.

Phone: (800) 800-3656 Ext. 10411

Email: salesupport@nacolah.com

Appendix A - Impairments

Please see the following tables for a comprehensive listing of potentially disqualifying diseases, disorders and impairments. To qualify, the client must not be diagnosed, treated, or hospitalized for the disease in the time frame mentioned below.

Unless otherwise noted, the time frame is “Ever.”

Cancers (excluding Basal and Squamous Cell Skin Cancer)	
Cancer Metastasis	Malignant Melanoma (5 years)
Internal cancer (5 years)	More than one cancer
Leukemia (5 years)	Multiple Myeloma
Lymphoma (5 years)	
Cardiovascular Diseases	
Abdominal Aortic Aneurysm (2 years)	Mini-stroke (2 years)
Angina (2 years)	Stroke (2 years)
Atrial Fibrillation (12 months)	Ventricular Fibrillation
Cardiomyopathy	Uncontrolled blood pressure (12 months)
Coronary Artery Disease (2 years)	Undergone heart surgery (2 years)
Heart Attack (2 years)	Undergone any procedure to improve the circulation of the brain, neck or extremities, excluding varicose veins (2 years)
Heart Failure	Undergone valve repair or replacement
Endocrine Diseases	
Diabetes diagnosed before age 40 (not including gestational diabetes)	Diabetic coma (2 years)
Immune System and Autoimmune Diseases	
Acquired Immune Deficiency Syndrome (AIDS)	Systemic Lupus
HIV Positive	Multiple Sclerosis (MS)—2 or more flares annually (2 years)
Scleroderma	
Kidney, Liver, Pancreas Diseases	
Chronic Hepatitis (12 months)	Liver Cirrhosis or Failure
Chronic Kidney Disease	Renal Insufficiency
Chronic Pancreatitis	
Skin and Blood Disorders	
Hemophilia	Vasculitis

Muscular, Nervous and Brain Diseases

Alzheimer's Disease	Mental Incapacity
Dementia	Muscular Dystrophy
Grand Mal Epilepsy with 6 or more seizures annually (2 years)	Myasthenia Gravis
Huntington's Disease	Parkinson's Disease
Lou Gehrig's (ALS)	Rheumatoid Arthritis with a joint replacement (2 years)
Memory Impairment	

Psychological Disorders

Bipolar Disorder	Suicide attempt (5 years)
Schizophrenia	

Respiratory Diseases

Asthma requiring continuous oral steroid use for more than 30 days, oxygen use or hospitalization (2 years)	Emphysema requiring continuous oral steroid use for more than 30 days, oxygen use or hospitalization (2 years)
Chronic Bronchitis requiring continuous oral steroid use for more than 30 days, oxygen use or hospitalization (2 years)	Pulmonary Fibrosis
COPD requiring continuous oral steroid use for more than 30 days, oxygen use or hospitalization (2 years)	Pulmonary Hypertension

Other

Alcohol abuse or treatment (5 years)	Unexplained weight loss—more than 15 pounds (12 months)
Amputation due to disease	Used a defibrillator (12 months)
Blood transfusion (12 months)	Used a pacemaker (12 months)
Chronic pain requiring daily narcotics (2 years)	Used supplemental oxygen (12 months)
Drug abuse or treatment (5 years)	Used a urinary catheter (12 months)
Received dialysis (12 months)	Used a wheelchair or walker (12 months)
Received an organ transplant	

Combinations

Having two or more of the following impairments would also disqualify your client from Legacy Optimizer.

Coronary Artery Disease	Stroke
Diabetes	More than one mini-stroke



Appendix B

Tobacco Use Definitions

Non-Tobacco

Has not used tobacco or other nicotine products within the past 12 months. Cigar use up to 24 per year is allowed.

Tobacco

Has smoked cigarettes or used other tobacco products, including patches, gum, inhalers or other nicotine products within the past 12 months.

Temporary Insurance Coverage

Temporary Insurance coverage is not available with Legacy Optimizer, except for the state of Kansas. The Temporary Insurance Agreement (TIA) form for Kansas is included as part of the e-app.

Policy Changes

The following are not available: non-tobacco changes, face amount changes, death benefit option changes and conversions.

Disclosures

1. Although Legacy Optimizer is filed as a Flexible Premium Universal Life and allows additional premiums, the product is designed for a single premium payment. There are limited benefits to adding premiums after policy issue-for example, the Account Value will increase with additional premium payments, but the guaranteed death benefit and the Return of Premium Value will NOT. Therefore, clients should carefully consider whether additional premiums should be paid.

2. Return of Premium is available in policy years 5+ when the policy is surrendered.

3. Coverage is subject to health questions and pharmaceutical check.

Legacy Optimizer (policy form series LS180) and Return of Premium Endorsement (form series LR500), and Rapid Builder IUL (policy form series LS176/LS176W with Waiver of Surrender Charge Option) are issued by North American Company for Life and Health Insurance, Administrative Office, One Sammons Plaza, Sioux Falls, SD 57193. Products, features, riders, endorsements, or issue ages may not be available in all jurisdictions. Limitations or restrictions may apply.

XL-EC is issued on policy form series L144/L44W with Waiver of Surrender Charge Option by Midland National Life Insurance Company, Administrative Office, One Sammons Plaza, Sioux Falls, SD 57193. Products, features, riders, endorsements or issue ages may not be available in all jurisdictions. Restrictions or limitations may apply.

Indexed Universal Life products are not an investment in the "market" or in the applicable index and are subject to all policy fees and charges normally associated with most universal life insurance.

We're Here For Life®

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