

## JUST THE FACTS



# Chronic Illness Conversion Agreement

**The Chronic Illness Conversion Agreement (CICA), available on Advantage Elite Select Term policies, is for clients who plan to convert their policy to permanent coverage in the future and desire chronic illness protection. The CICA guarantees your client the right to add the Accelerated Death Benefit for Chronic Illness Agreement (Chronic Illness Agreement) without providing evidence of insurability at the time of conversion.**

## Agreement highlights

- Available on fully underwritten term policies with face amounts of \$250,000 - \$5 million (not available with Express Issue)
- Issue ages 16-60
- Must have the Extended Conversion Agreement (ECA) (not applicable on 5-year term)
- CICA Conversion period is the lesser of age 65 or the end of the ECA period (may differ from base life policy)

## How it works

- Upon adding the CICA to an Advantage Elite Select Term policy, the policyowner chooses the maximum chronic illness death benefit amount that will be available upon conversion.
- When converting to a permanent policy, the owner may convert any percentage of this amount (within the parameters noted below) for chronic illness benefits with the addition of the Chronic Illness Agreement on the policy.
- If the owner adds the Chronic Illness Agreement at the time of conversion, a minimum of \$100,000 of the CICA amount must be converted. No more than the new permanent base face amount may be converted.
- If the policy has the Benefit Distribution Agreement, the CICA maximum is the base face amount.

## Example 1

**A 60-year-old client purchases a 20-year term policy for \$500,000 with a CICA amount of \$250,000.**

- At age 65, he decides to convert \$250,000 to a permanent policy with a \$250,000 Chronic Illness Agreement.
- The client now has \$250,000 left of term insurance that he can choose to keep, convert later or cancel with a CICA amount of \$0.

## Example 2

**A 40-year-old client purchases a 20-year term policy for \$1 million with a CICA amount of \$1 million.**

- At age 50, she decides to convert \$500,000 to a permanent policy and not exercise her CICA.
- This leaves the client with \$500,000 of term insurance that she can choose to keep, convert later or cancel, and a CICA amount of \$500,000.
- The CICA amount was decreased to match the new term face amount, because the CICA amount cannot be greater than the new term face amount.

These are hypothetical examples for illustrative purposes only.

**HELP YOUR CLIENTS TAKE CARE OF TOMORROW, TODAY**  
To learn how our Chronic Illness Conversion Agreement can help protect your client's insurability for chronic illness, contact your Life Sales Support Team today:

**1-877-696-6654** (Securian and Broker-Dealer)

**1-888-413-7860, option 1** (Independent Brokerage)

Additional agreements may be available. Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states, may exist under a different name in various states and may not be available in combination with other agreements.

The Accelerated Death Benefit for Chronic Illness Agreement is a life insurance policy agreement that provides an option to accelerate the death benefit in the event that the insured becomes chronically ill.

Life insurance products contain fees, such as mortality and expense charges (which may increase over time), and may contain restrictions, such as surrender periods. Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

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**Securian Financial Group, Inc.**  
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