

# Mortgage protection

## Case Study

North American Company for Life and Health Insurance®

## ADDvantage® Term life insurance

### Quick look

Taking on debt of any kind opens up risk. This can be especially true when it comes to property ownership. Refinancing a mortgage, for example, can create a level of risk should the main breadwinner die prematurely. Life insurance can provide a generally income tax-free death benefit to beneficiaries<sup>1</sup> which can then be used to help pay the mortgage or to meet other financial needs.

### The situation

Your clients have been homeowners for quite a while and purchased a newer home about seven years ago as their needs changed. The couple upgraded to a nicer home and took on a 30-year mortgage. Because of changes in the economy, your clients have recently refinanced to a 15-year mortgage.

The husband is the main breadwinner and is concerned about his wife's financial security in case he were to die unexpectedly.

### A solution

Your clients are looking for an economical solution and decide to consider term life insurance options for the husband. They decide on a 15-year premium guarantee period to cover the same length of time as their mortgage.<sup>2</sup> Should he pass away, the wife would receive the necessary funds to help pay the mortgage each month.



***Share this concept with your clients today!***

1. Neither North American Company nor its agents give tax advice. Please advise your customers to consult with and rely on a qualified legal or tax advisor before entering into or paying additional premiums with respect to such arrangements.

2. Premiums are guaranteed to remain level for the initial 15 year period. After the premium guarantee period, premiums will increase annually but will never exceed the Guaranteed Annual Renewal Premium.

Please refer to the current ADDvantage Term Marketing Guide for complete details.

ADDvantage Term is issued on policy form series LS174, by North American Company for Life and Health Insurance, West Des Moines, IA Product, features, riders, endorsements or issue ages may not be available in all jurisdictions. Limitations and restrictions may apply.

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