

Field Bulletin

294NB

Waiver of Surrender Charge Option Rider Available in California

TO: General Agents, Writing Agents, and MGAs**RE:** Waiver of Surrender Charge Option Rider Available in California**Date:** June 18, 2020**Effective:** June 29, 2020

North American is pleased to announce that the Waiver of Surrender Charge (WoSC) Option Rider will be available on the Smart Builder indexed universal life (IUL) insurance product in the state of California beginning June 29, 2020.

Highlights of the Waiver of Surrender Charge Option

- Under this option, the full surrender charge is waived in all years
- 0% surrender charge when the WoSC Option Rider is selected*
- Available on both business and individual cases

**Surrender charges will not be waived if the policy is surrendered under an external 1035 exchange. A decrease charge will be assessed if a reduction in the policy face amount is requested during the waiver of surrender charge period. However, if a partial withdrawal results in a reduction of the face amount, the withdrawal charge is waived. There is an additional premium charge for this rider and it must be applied for at the time of policy issue.*

Commission Option

This product includes an asset trail Commission Option C that may allow for significantly higher total commissions paid over time. Commission option C is required if you select the WoSC Option Rider.

Electing rider on new business

To elect the Waiver of Surrender Charge Option Rider, simply indicate in SimpleSubmit® e-App or on the paper application that the rider is wanted.

Pending business

Existing applications in New Business or Policy Change that have not yet been placed in force are eligible to apply to have the WoSC Option Rider. When requesting to add the rider to an existing case, note the following guidelines:

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- If the application is dated **March 6, 2020**, or after, if approved, the change can be made with the existing application and the rider will be amended on delivery.
- If the application is dated **March 5, 2020 and prior**, if approved, a new fully completed application will be required to add the rider.

Policy date guidelines

If a policy is issued with the WoSC Option Rider, the policy date must be **March 6, 2020** or after.

Illustration Platform

Web-based illustrations will be updated with the WoSC Option Rider starting **June 27, 2020**.

SimpleSubmit e-App

Effective **June 27, 2020**, all applications started and/or submitted in SimpleSubmit e-App will have the option to elect the WoSC Option Rider.

For further information on these changes, please contact your Managing General Agency (MGA).

Indexed universal life insurance 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.

Smart Builder IUL (policy form series LS187), or state variations, including all applicable endorsements and riders, and the Waiver of Surrender Charge Option Rider (form series LR479) 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 and restrictions may apply.

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