

# DEALER LIFE INSURANCE PROGRAM (DLIP)



## **PREMIUM CREDITS AVAILABLE:**

Premium credits help reduce the net life insurance costs and save money. When the NADA Insurance plan experience is favorable, the plan Trustee may grant a credit on certain coverage to reduce premiums. Premium credits are not guaranteed. The current credit is in effect through 2021.

As the owner of your dealership, you can request coverage that specifically addresses your important role.

## RATES - 10/20 YEAR TERM LIFE

Based on an annual rate per \$1,000 of face amount

### Male - 10 Year Term (Preferred Rate)

Issued Age	\$100,000 - \$249,000	\$250,000 - \$499,000
25-35	\$1	\$0.67
40	\$1.22	\$1.12
45	\$1.68	\$1.52
50	\$2.54	\$2.00
55	\$3.76	\$2.80
60	\$5.79	\$3.77
65	\$9.72	\$6.06

### Female - 10 Year Term (Preferred Rate)

Issued Age	\$100,000 - \$249,000	\$250,000 - \$499,000
25-35	\$0.90	\$0.58
40	\$1.12	\$0.78
45	\$1.52	\$1.19
50	\$2.00	\$1.62
55	\$2.80	\$2.42
60	\$3.77	\$3.98
65	\$6.06	\$5.63

### Male - 20 Year Term (Preferred Rate)

Issued Age	\$100,000 - \$249,000	\$250,000 - \$499,000
25	\$0.71	\$0.60
30	\$0.94	\$0.80
35	\$1.29	\$1.10
40	\$1.98	\$1.68
45	\$3.13	\$2.66
50	\$4.95	\$3.96
55	\$8.02	\$6.81

### Female - 20 Year Term (Preferred Rate)

Issued Age	\$100,000 - \$249,000	\$250,000 - \$499,000
25	\$0.48	\$0.41
30	\$0.64	\$0.55
35	\$0.97	\$0.83
40	\$1.58	\$1.34
45	\$2.60	\$2.24
50	\$3.93	\$3.34
55	\$5.74	\$4.88

### CURRENT 2021 RATES

Initial rates are guaranteed for the full 10-year or 20-year period after your application is approved. After the initial 10-year or 20-year period ends, if you are under age 65, you may elect to re-apply for another 10-year period of affordable, guaranteed rates based on your new age. If you are under age 55, you may elect to re-apply for another 20-year period of guaranteed rates based on your new age. If you are not eligible to re-apply due to age, or if you choose not to re-apply for a new 10-year or 20-year period, your coverage will continue, without underwriting, on a non-guaranteed, higher rate basis which means that rates will be based on your then current age and will increase as you grow older. With this insurance plan there are no scheduled reductions and your benefits will not be reduced simply because you grow older or experience a change in health.

As a valued Dealer-Member, NADA Insurance can offer you powerful assistance by providing member-negotiated programs that provide **peace of mind for you, your family and your business.**

## 10/20 YEAR GROUP TERM LIFE INSURANCE

### Life Insurance Benefit Amount

You can request an amount from \$200,000 to \$1,000,000 in multiples of \$100,000. You may request coverage for your spouse from \$100,000 to \$500,000 in \$50,000 increments, not to exceed 50% of your coverage amount. You receive an additional discount for coverage amounts of \$250,000 or more.

### Aggregate Maximum

When combined with the option to purchase up to \$3 million of Dealer Group Term Life Insurance, the maximum combined coverage available for an NADA Dealer member is \$4 million (\$1.5 million for spouse).

### Preferred Rates Available

If you do not use tobacco in any form, lead a very healthy lifestyle, and can satisfy stricter underwriting requirements, you may be able to qualify for our lowest Preferred Non-Smoker Rate.

### When Coverage Ends

Coverage remains in effect as long as the Group Policy is not terminated and premiums are paid when due.

### 30-Day Free Look

Once you receive your Certificate of Insurance you will have 30 days to review the document and make sure you are completely satisfied with your coverage. If you are not satisfied, simply return the Certificate without claim and your coverage will be canceled and premiums refunded.

### Accelerated Death Benefit

Should you become terminally ill, you may elect to receive up to 50% of your life insurance benefit while you are still living. To receive this benefit, you must furnish satisfactory proof that your life expectancy is 12 months or less, including certification by a qualified physician. New York Life may inquire further to verify eligibility.

The benefits not paid to you under this option will be payable to your beneficiary upon your death.

Note: Accelerated death benefits are not taxable under current U.S. Federal law. However, receipt of benefits may affect eligibility for public assistance programs. Prior to applying for such benefits, please consult the appropriate social service agency and seek tax counsel.

## Eligibility

- A member of NADA with a factory-approved new car or truck franchise;
- A resident of the 50 United States and District of Columbia;
- An owner of at least 10% of the dealership's corporate stock, or named in a successor or nominee addendum for at least 10% ownership;
- Actively work at least 20 hours per week, or 1,000 hours per year in the business of the dealership;
- Under the age of 70 for Annual Renewable Term; Under age of 65 for 10-Year Level Term; Under age 55 for 20-Year Level Term; and
- Able to submit satisfactory evidence of good health (does not apply to AD&D insurance).

# ANNUAL RENEWABLE TERM LIFE INSURANCE

## Life Insurance Benefit Amount

You can apply for life coverage up to \$3,000,000 in \$50,000 increments. You may also request up to \$1,000,000 for your eligible spouse in \$25,000 increments not to exceed 50% of member amount\*. Unmarried, dependent children under age 20 (25 if a full-time student) are also eligible for \$10,000 of coverage (Each child can only be covered under one NADA policy). Coverage reduces gradually over time: to 75% of your coverage at age 65; to 50% of your pre-age 65 coverage at age 70; to 35% of your pre-age 65 coverage at age 75.

\*Member Life amount determined by all NADA Life Insurance Plans combined.

## Aggregate Maximum

When combined with the option to purchase \$1 million of Dealer Level Premium Term Life Insurance, the maximum combined coverage available for an NADA Dealer is \$4 million.

## Amount Limit Due to Age

For applicants age 65 through 69, coverage amounts are limited to 75% of the pre-age 65 amounts available. The maximum available to spouse is 50% of the members' NADA Dealer Coverage amount.

## When Coverage Ends

Coverage remains in effect as long as the Group Policy is not terminated and premiums are paid when due.

## 30-Day Free Look

Once you receive your Certificate of Insurance you will have 30 days to review the document and make sure you are completely satisfied with your coverage. If you are not satisfied, simply return the Certificate without claim and your coverage will be canceled and premiums refunded.

## Accelerated Death Benefit

Should you become terminally ill, you may elect to receive up to 50% of your life insurance benefit (not to exceed \$75,000) while you are still living. You can use this money for whatever purpose you wish: put it toward your medical bills, or pay off your mortgage for your family, for instance.

To receive this benefit, you must furnish satisfactory proof that your life expectancy is 12 months or less, including certification by a qualified physician. New York Life may inquire further to verify your eligibility.

The benefits not paid to you under this option will be payable to your beneficiary upon your death.

## Dealer Optional Life Rates

Age of Employee	Monthly Rate Per \$1,000	CURRENT 2021 RATES
Under 25	\$0.048	
25-29	\$0.057	
30-34	\$0.076	
35-39	\$0.086	
40-44	\$0.095	
45-49	\$0.143	
50-54	\$0.238	
55-59	\$0.409	
60-64	\$0.637	
65-69	\$1.207	
70-74	\$2.413	
75-79	\$3.221	
80-84	\$4.057	
85-89	\$4.902	
90+	\$6.099	

Premiums are billed monthly. Increases due to entering a new age bracket take place on the first of the month on or after your birthday.

## OPTIONAL PROTECTION FOR ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

### AD&D Benefit Amount

AD&D insurance provides an additional amount of coverage (Principal Sum) up to \$300,000 (\$150,000 for eligible spouses, not to exceed member's coverage amount).

You may enroll in the coverage described above. If you and your spouse are both Participants, you may each be covered as a Participant under the optional AD&D Coverage; but only one of you may be covered as both a Participant and as a covered spouse under the optional AD&D Coverage. Maximum available as Participant and dependent may not exceed \$400,000.

At age 75, coverage amounts for members and spouses reduce as follows:

- Age 75 to 82.5% of Principal Sum
- Age 80 to 57.5% of Principal Sum
- Age 85 to 37.5% of Principal Sum

# FEATURES OF THE ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE PLAN

## What AD&D Benefits are Payable

The AD&D insurance plan can pay your beneficiary a benefit for a covered loss of life. Subject to the provisions of the Group Policy, if a member is dismembered or loses sight in an accident, the member will receive a portion of the coverage, depending on the severity of the accident as shown below:

Covered Loss	% of Principal Sum
Loss of Life	100%
Loss of Two Limbs	100%
Loss of Sight of Both Eyes	100%
Loss of One Limb and Sight of One Eye	100%
Loss of Speech and Hearing	100%
Loss of Movement of Both Upper & Lower Limbs (quadriplegia)	100%
Loss of Movement of Both Lower Limbs (Paraplegia)	75%
Loss of Movement of both Upper & Lower Limbs on One Side of the Body (Hemiplegia)	50%
Loss of One Limb	50%
Loss of Sight of One Eye	50%
Loss of Speech or Hearing	25%
Loss of Movement of One Limb (Uniplegia)	25%
Loss of Thumb and Index Finger on One Hand	25%

## AD&D Exclusions

This Insurance Plan does not cover any loss caused by or resulting from (1) an accident which occurs prior to the effective date of coverage, (2) an insured person's participation in (other than as victim) the commission of a felony, an illegal occupation or activity, an insurrection, terrorist activity or a riot (3) a disease or bodily infirmity of mind or body, medical or surgical treatment of disease or bodily infirmity, a bacterial infection except infections that occur as the result of an accidental cut or wound or the accidental ingestion of contaminated material (4) the insured person's use of drugs, intoxicants, narcotics, barbiturates or hallucinogenic agents or alcohol (5) an insured person's duty in the military, naval or air services of any country, except for Reserve or National Guard active duty for training (6) suicide, an attempt at suicide or an intentionally self-inflicted injury while sane or insane (7) medical, dental or surgical treatment unrelated to the accident and (8) war or act of war, declared or undeclared.

## Additional AD&D Benefits Automatically Included

**Adaptive Home/Auto Benefit** – an additional benefit is payable for necessary modifications to the Covered Person's home and/or automobile required to accommodate physical disabilities due to a Covered Loss.

**Burn Disfigurement Benefit** – an additional benefit is payable for a Covered Loss which causes the Covered Person to suffer a disfigurement due to burns covering at least 25% of his/her body.

**Coma Benefit** – an additional benefit is payable (a) a covered person lapses into a Coma as a result of an accidental injury; (b) the Coma occurs within 365 days of the accidental injury and (c) the Coma has lasted for a minimum of 30 consecutive days.

**Rehabilitation Benefit** – an additional benefit may be payable for participation in an approved rehabilitation program if a Covered Person incurs a Covered Loss for other than loss of life.

**Seat Belt Benefit** – an additional benefit is payable if you die as a result of injuries sustained in an automobile accident while traveling in a private passenger car and properly wearing a seat belt, if the death occurs within 365 days of the accident and the driver of the car was a licensed driver and not under the influence of alcohol or drugs.

**Air Bag Benefit** – an additional benefit is payable if the Seat Belt benefit stated above is payable and if you were positioned in a seat belt protected by a properly functioning, original factory installed air bag system that inflated upon impact when the accident occurred.

**Total Disability Benefit** – an additional benefit is payable provided 100% of the Principal Sum has not been paid if the covered person, who is less than age 75, incurs a Covered Loss that results in a Total Disability for a period of 12 consecutive months or more. The total benefit must begin within 31 days of the accident that caused the Total Disability.

**IMPORTANT NOTICE:**

This summary provides a general description of the insurance offered. Complete coverage details, terms and conditions, including limitations and exclusions are detailed in the Group Policies G-29612, G-29613, G-29614/GMR-FACE and Certificate of Insurance.

**CONVERSION PRIVILEGE**

Under certain circumstances of involuntary termination of coverage, the Group Life Policy provides conversion privileges without medical evidence to an individual policy. Complete details will be included in your Certificate of Insurance.

**ONE LIFE EXCLUSION**

In the event of death by suicide within the first two years of coverage (Missouri residents, one year), benefits are limited to a refund of premium paid.

**EFFECTIVE DATE**

Participant Insurance Coverage becomes effective the first of the month following the date of approval of the Participant's application by New York Life Insurance Company, provided the first premium payment is received within 31 days and the Participant meets the Active Work Requirement on that date. If the Participant does not meet the Active Work Requirement on the date that change would take effect, it will take effect on the first day the Participant meets that requirement.

If the proposed Dependent is confined at home, in a hospital or other medical institution on the date such insurance would otherwise have taken effect, insurance will not take effect until proposed Dependent is no longer confined, provided the Participant is insured on that day and the Dependent is still eligible to obtain insurance.



NADA group insurance programs are underwritten by New York Life Insurance Company  
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