

# TERM INSURANCE FACE REDUCTION GUIDELINES

Carrier	Guidelines
AIG	Term face reductions are allowed, however, it is not contractual. Limits are as follows: 25% reduction after 4th anniversary; 50% after 5th; 75% after 6th; Down to policy minimum after 7th policy anniversary
AXA	One time face reduction allowed within the first 5 policy years on an exception basis. After 5 years, no exception needed to reduce the face amount and is not limited to the number of times the face can be reduced. Cannot be reduced below minimum face amount requirements.
Bighthouse Financial	Face decreases are allowed after the first policy year. Cannot go below minimum face amount requirements.
Foresters Financial	Un-officially available on a case by case basis.
Global Atlantic	Can be reduced once per year.
John Hancock	Policy years 1-3: no reductions allowed. Policy years 4-6: allows for reductions of up to 50% of the initial face amount. Policy years 7+: any reduction allowed.
Lincoln Financial	<i>Lincoln TermAccel</i> ® - Death benefit (face amount) reductions are allowed after policy year three, subject to the minimum face amount requirement. <i>Lincoln LifeElements</i> ® - Death benefit (face amount) reductions are allowed after policy year three, subject to the minimum face amount requirement
Mutual of Omaha	One face amount reduction during the life of the policy. No reduction available during the first year of the policy.
Nationwide	Face Amount can be reduced at any time post issue. No set percentage of reduction; cannot be reduced below policy minimum
New York Life	Face decreases are allowed as long as minimum face amount requirements are met.
Principal	Year 1 - No face reductions allowed Year 2-5 - Can be reduced up to 35% of the original face. (\$1MM could be reduced to \$650K in years 2-5) Years 6+ - Can be reduced to the product minimum of \$200K
Protective Life	Varies by product. See product guide.
Prudential	Not contractually guaranteed, but it is current business practice to allow them. If it's requested several times, it may not be approved.
Securian Financial	All term products. May be lowered in \$1,000 increments. Cannot go lower than \$50k. Can lower anytime and as many times.
Symetra	Face amount decreases are allowed after the first policy year, up to 50% of the original face amount. Face can be reduced multiple times (at policy anniversary) but can't exceed 50% of the original face amount. The minimum reduction amount is \$1,000.A21
Transamerica	Face reductions allowed after first policy year. Only allowed once during the lifetime of the policy. Cannot go lower than reduced below minimum face amount requirements.
Zurich	Changes in Specified Amount are allowed after the third policy year, no more than one change is allowed in each policy year, the decrease will be tied to the monthaversary, the minimum decrease amount is \$25,000, the new Specified Amount must be at least the minimum face amount at the time of policy issue.